



European
Automobile
Manufacturers
Association

The European Automotive Industry

Economic situation & Key challenges

OICA ROUND TABLE *"THE WORLD AUTO INDUSTRY: SITUATION AND TRENDS"*

SEOUL, 23 OCTOBER 2014

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Secretary General



Wednesday, 22 October 2014





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CONTENTS

- **Key figures**
- **Statistical overview EU automobile industry**
- **Demand-side policy measures affecting automobile industry**
- **Conclusions**



KEY FIGURES ON THE EU ECONOMY

- **The recovery is taking shape in the EU**

⇒ Real GDP growth: -0.4% (FY 2012) → 0.1% (FY 2013) → 1.6% (FY 2014 forecast)

- **Labor market conditions to improve at measured pace**

⇒ Unemployment rate: 10.4% (FY 2012) → 10.8% (FY 2013) → 10.5% (FY 2014 forecast)

- **Subdued inflation to stay**

⇒ HICP: 2.6% (FY 2012) → 1.5% (FY 2013) → 1.0% (FY 2014 forecast)



KEY FIGURES ABOUT THE INDUSTRY

12.7 million direct and indirect jobs

€32.3 billion in R&D spending, largest private investor

€95.1 billion positive net trade contribution

€388.8 billion in tax revenues (EU14)





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The EU automobile industry

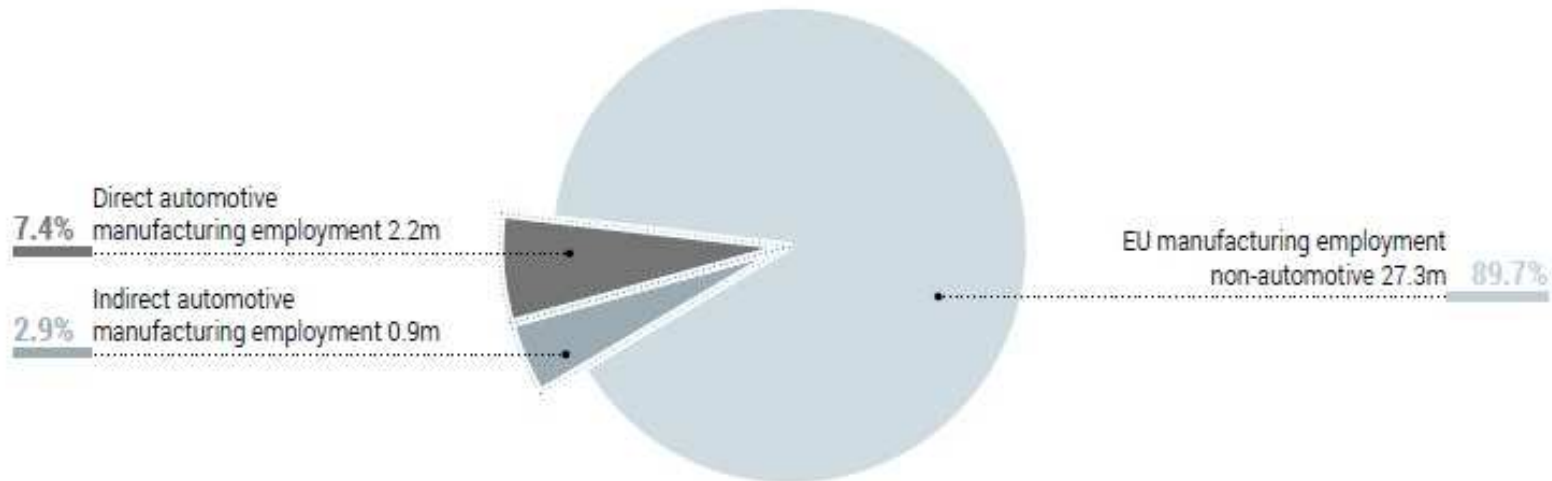
Statistical overview



EMPLOYMENT

Total manufacturing employment in the EU | 2011

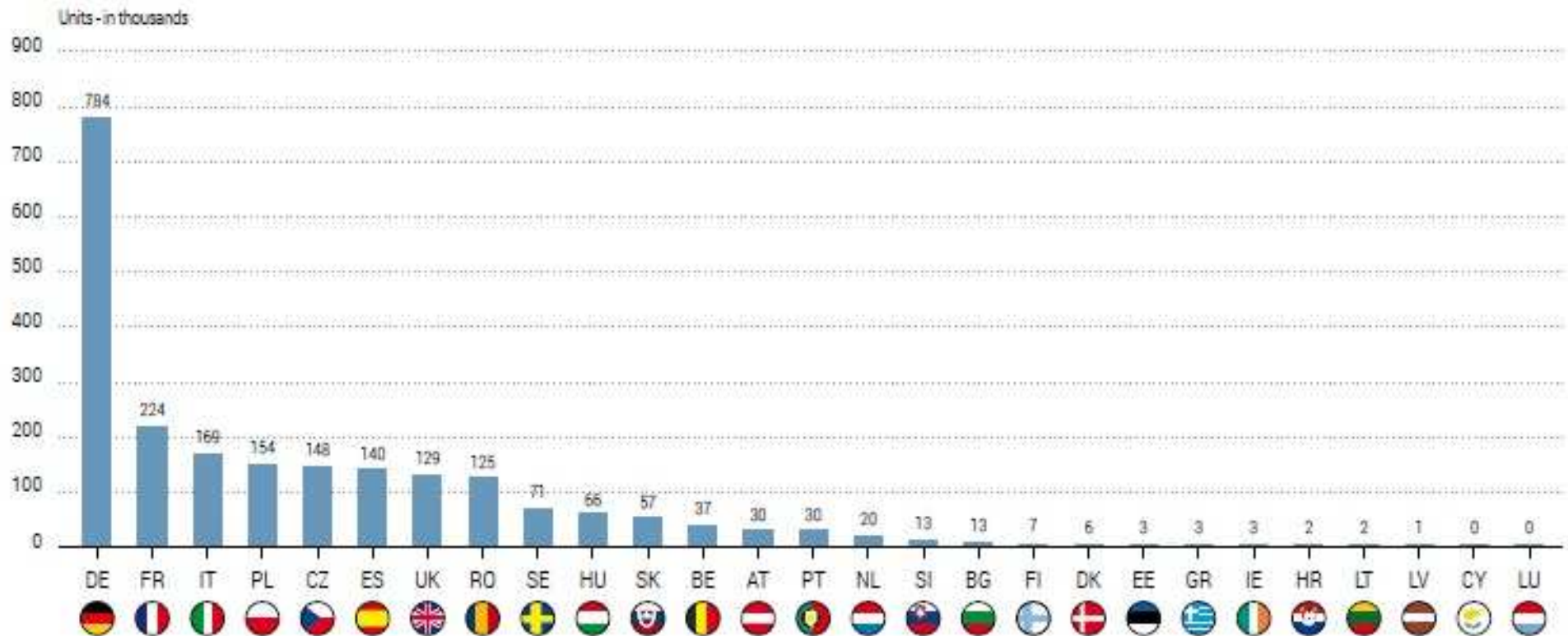
Direct automotive employment (manufacturing)	2.2m people	= 7.4% of total EU employment in manufacturing
Manufacturing employment related to the automotive sector	3.1m people	= 10.3% of total EU employment in manufacturing
Total automotive employment (manufacturing, services and construction)	12.7m people	= 5.8% of EU employed population





EMPLOYMENT

Direct automotive employment – by country | 2011



Source: EUROSTAT



REGISTRATIONS

Motor vehicles registrations in the EU – by country | 2013

					TOTAL
AT 	319,035	30,701	7,443	713	357,892
BE 	486,065	53,419	7,655	765	547,904
BG 	19,352	3,614	n.a.	n.a.	22,966
CY 	7,102	909	62	n.a.	8,073
CZ 	164,736	11,669	8,643	891	185,939
DK 	182,198	24,039	4,310	401	210,948
EE 	19,500	2,702	861	126	23,189
FI 	103,450	10,405	3,508	388	117,751
FR 	1,790,456	364,989	44,965	6,963	2,207,373
DE 	2,952,431	212,691	86,772	5,824	3,257,718
GR 	58,694	3,431	345	100	62,570
HU 	56,139	11,418	4,986	432	72,975
IE 	74,303	11,076	1,554	163	87,096
IT 	1,303,534	100,989	12,596	2,375	1,419,494
LV 	10,637	2,174	1,406	239	14,456
LT 	12,152	1,823	3,421	176	17,572
LU 	46,624	3,142	949	171	50,886
NL 	417,036	50,582	13,523	583	481,724
PL 	289,913	42,182	19,715	1,385	353,195
PT 	105,921	18,202	2,392	174	126,689
RO 	57,710	8,681	3,192	865	70,448
SK 	66,000	5,075	3,856	275	75,206
SI 	50,878	6,727	1,195	154	58,954
ES 	722,703	85,463	13,136	1,648	822,950
SE 	269,599	37,342	4,896	1,230	313,067
UK 	2,264,737	271,073	52,952	6,951	2,595,713
EU¹ 	11,850,905	1,374,518	304,333	32,992	13,562,748
IS 	7,274	584	91	73	8,022
NO 	142,151	30,859	5,773	1,259	180,042
CH 	307,885	29,242	3,569	585	341,281
EFTA	457,310	60,685	9,433	1,917	529,345
EU+EFTA	12,308,215	1,435,203	313,766	34,909	14,092,093

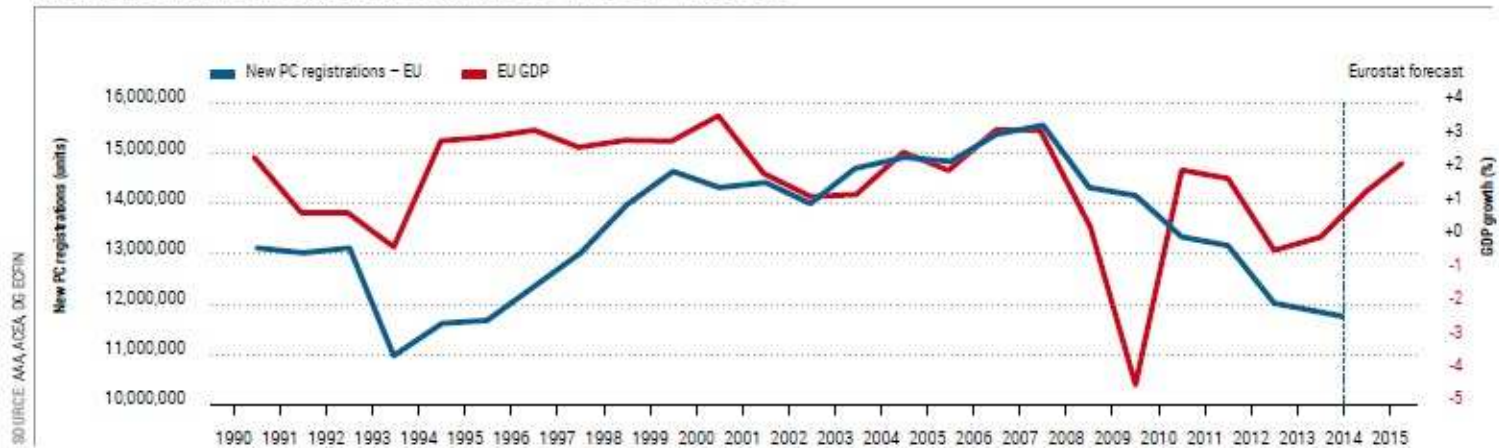
1: Data for Malta not available

Source: ACEA (NATIONAL AUTOMOBILE ASSOCIATIONS)

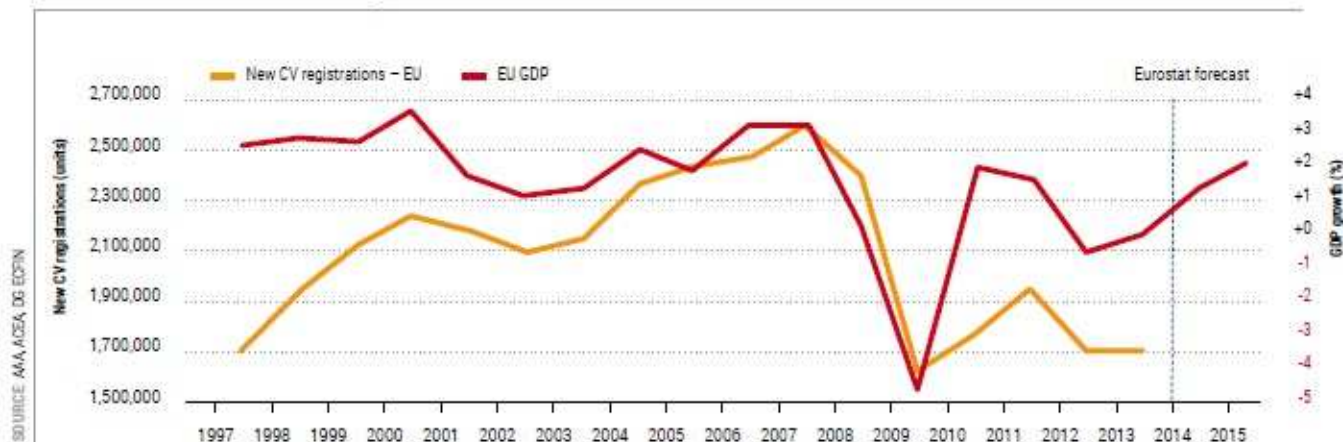
REGISTRATIONS

Vehicles sales mirror economic growth

New passenger car registrations in the EU and GDP | 1990-2013



New commercial vehicle registrations in the EU and GDP | 1997-2013



REGISTRATIONS

New passenger car registrations in the EU – last 12 months



⇒ New passenger car registrations were up by **+6.4% in September**, pursuing the upward trend commenced more than one year ago.

REGISTRATIONS

New commercial vehicle registrations – last 12 months

























⇒ **In August**, demand for new commercial vehicles in the EU increased for the **twelfth consecutive month**.

⇒ Total commercial vehicle registrations **increased by +6.1%**, totaling 104,686 units.

PRODUCTION

Motor vehicle production in the EU – by country | 2013

			 + 	TOTAL
 AUSTRIA	146,566		19,862	166,428
 BELGIUM	449,600		30,564	480,164
 CZECH REPUBLIC	1,128,473		4,458	1,132,931
 FINLAND	8,000			8,000
 FRANCE ²	1,460,000	280,000	n.a.	1,740,000
 GERMANY ²	5,439,904	278,318	n.a.	5,718,222
 HUNGARY	220,000		2,400	222,400
 ITALY	388,465	236,040	33,702	658,207
 NETHERLANDS ²	0	0	0	0
 POLAND	475,000	104,055	4,203	583,258
 PORTUGAL	109,698	40,918	3,400	154,016
 ROMANIA	410,959		38	410,997
 SLOVAKIA	975,000			975,000
 SLOVENIA	89,395	4,339		93,734
 SPAIN	1,719,700	419,954	23,684	2,163,338
 SWEDEN ²	161,080		n.a.	161,080
 UNITED KINGDOM	1,509,762	68,823	18,848	1,597,433
 EU ¹	14,616,202	1,429,748	137,774	16,183,724

1. Double countings are deducted from the totals

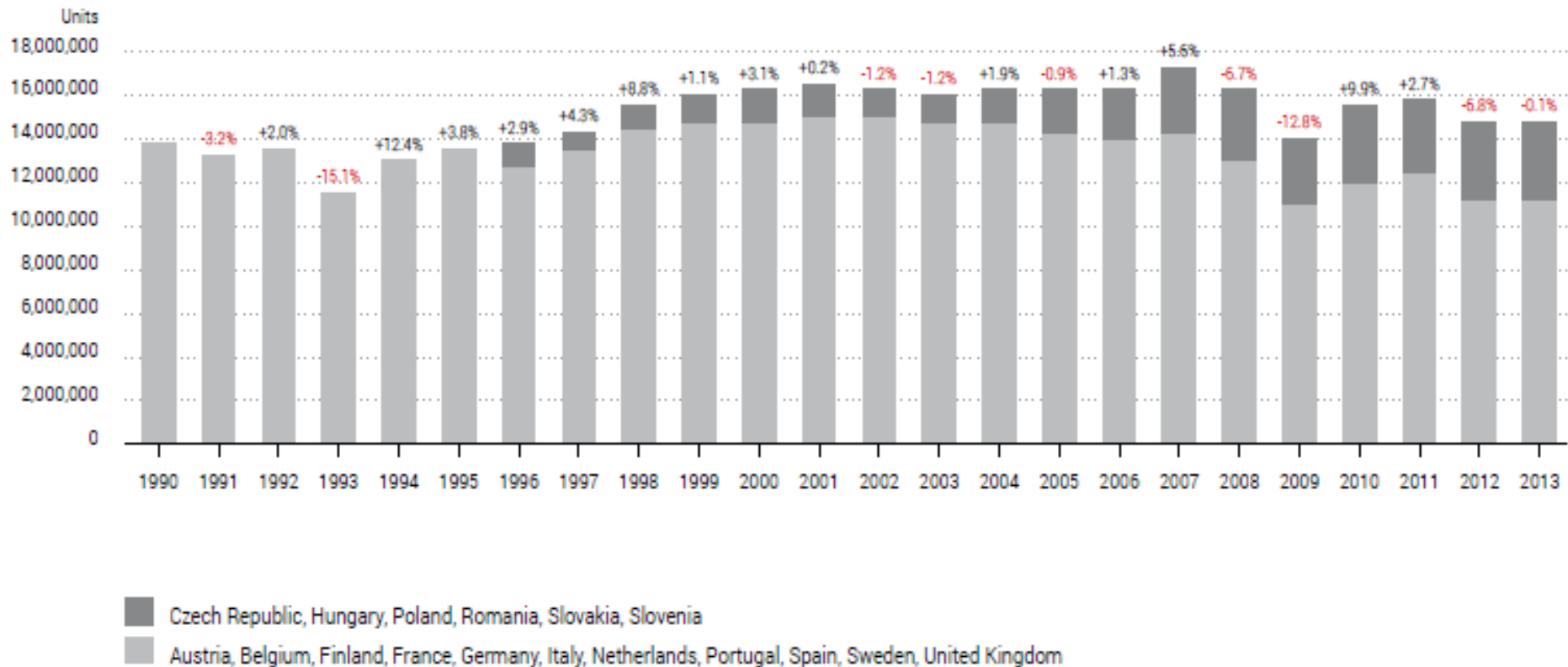
2. Figures for certain categories were not communicated in 2013

Source: ACEA (NATIONAL AUTOMOBILE ASSOCIATIONS)



PRODUCTION

Passenger car production in the EU | 1990 – 2013



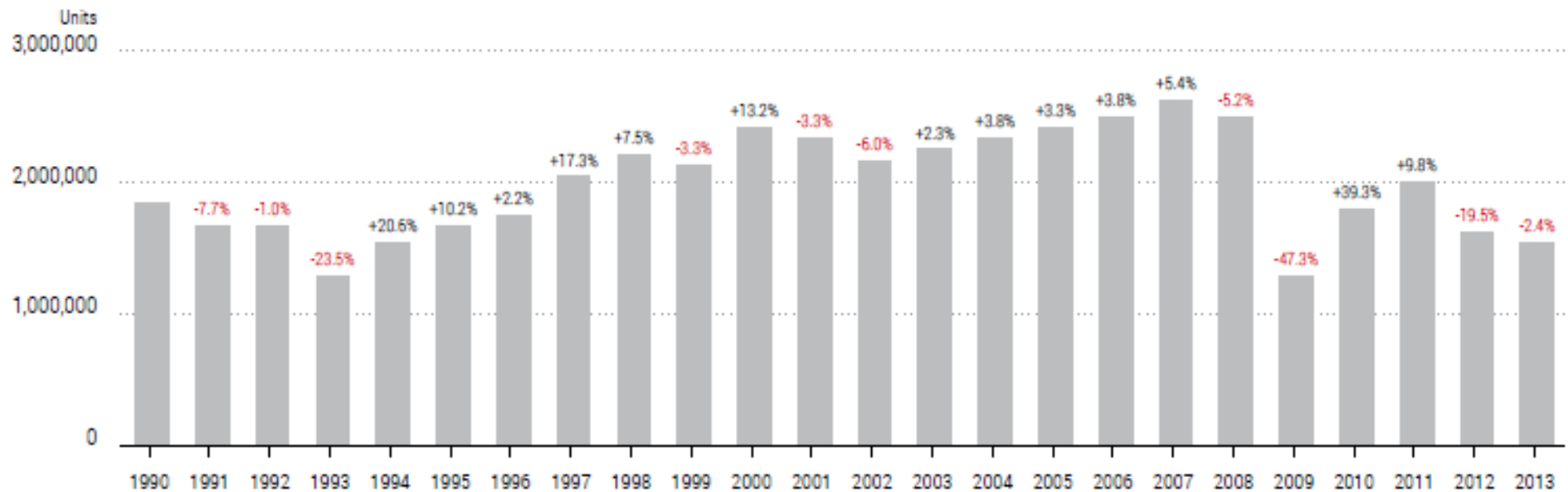
Source: ACEA (NATIONAL AUTOMOBILE ASSOCIATIONS)





PRODUCTION

Commercial vehicle production in the EU | 1990 – 2013








Source: ACEA (NATIONAL AUTOMOBILE ASSOCIATIONS)



PRODUCTION

Automobile assembly and production plants in Europe | 2014

EU	Plants
 Austria	5
 Belgium	9
 Bulgaria	1
 Croatia	2
 Czech Republic	8
 Finland	2
 France	34
 Germany	43
 Hungary	4
 Italy	22
 Netherlands	9
 Poland	14
 Portugal	6
 Romania	3
 Slovakia	3
 Slovenia	1
 Spain	15
 Sweden	11
 United Kingdom	34

NON - EU	Plants
 Belarus	2
 Kazakhstan	4
 Russia	34
 Serbia	3
 Turkey	15
 Ukraine	7
 Uzbekistan	2

ALL MANUFACTURERS	Countries	Plants
Total Europe	26	293
 TOTAL EU	19	226

ACEA MEMBERS	Countries	Plants
Total Europe	22	190
 TOTAL EU	16	166

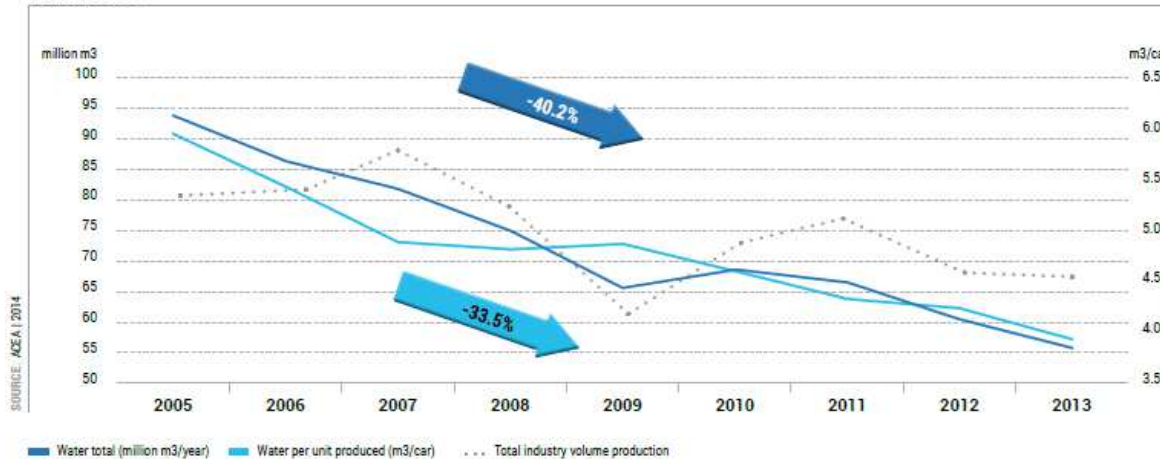
Source: ACEA (NATIONAL AUTOMOBILE ASSOCIATIONS)



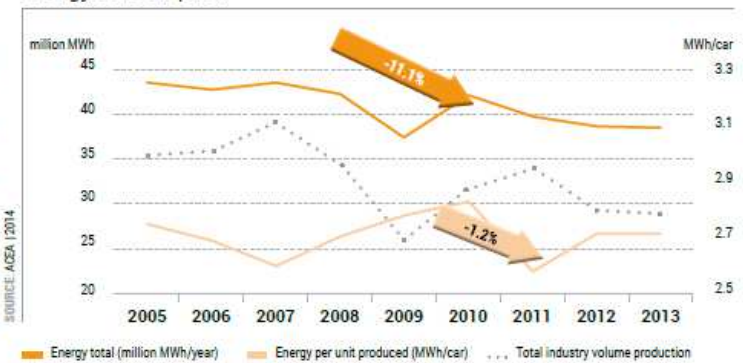
PRODUCTION

Environmental impact of vehicle production

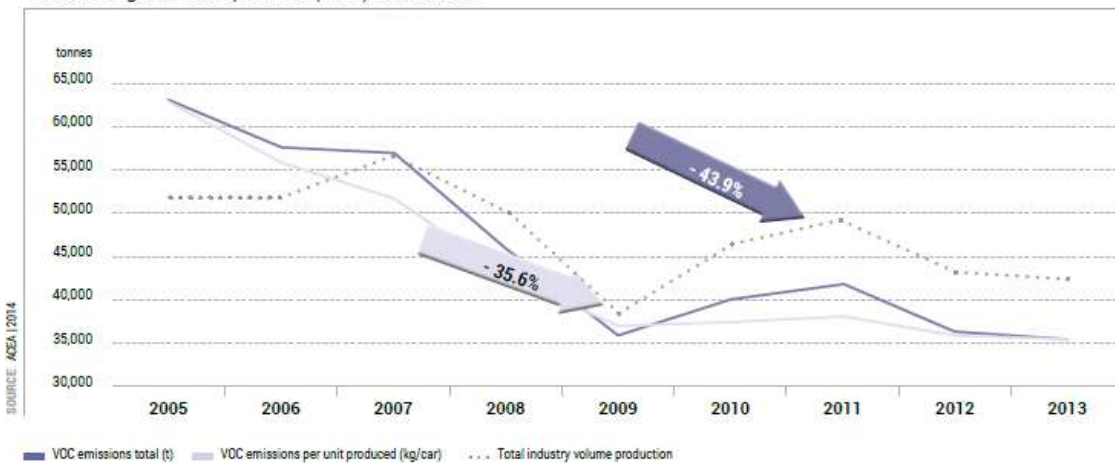
Water used



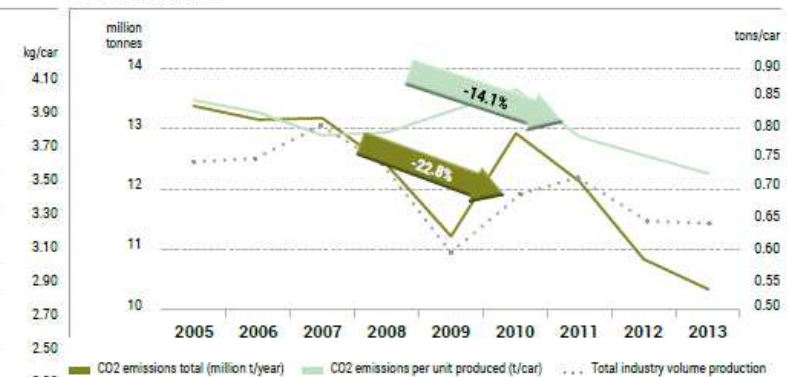
Energy consumption



Volatile Organic Compounds (VOC) emissions

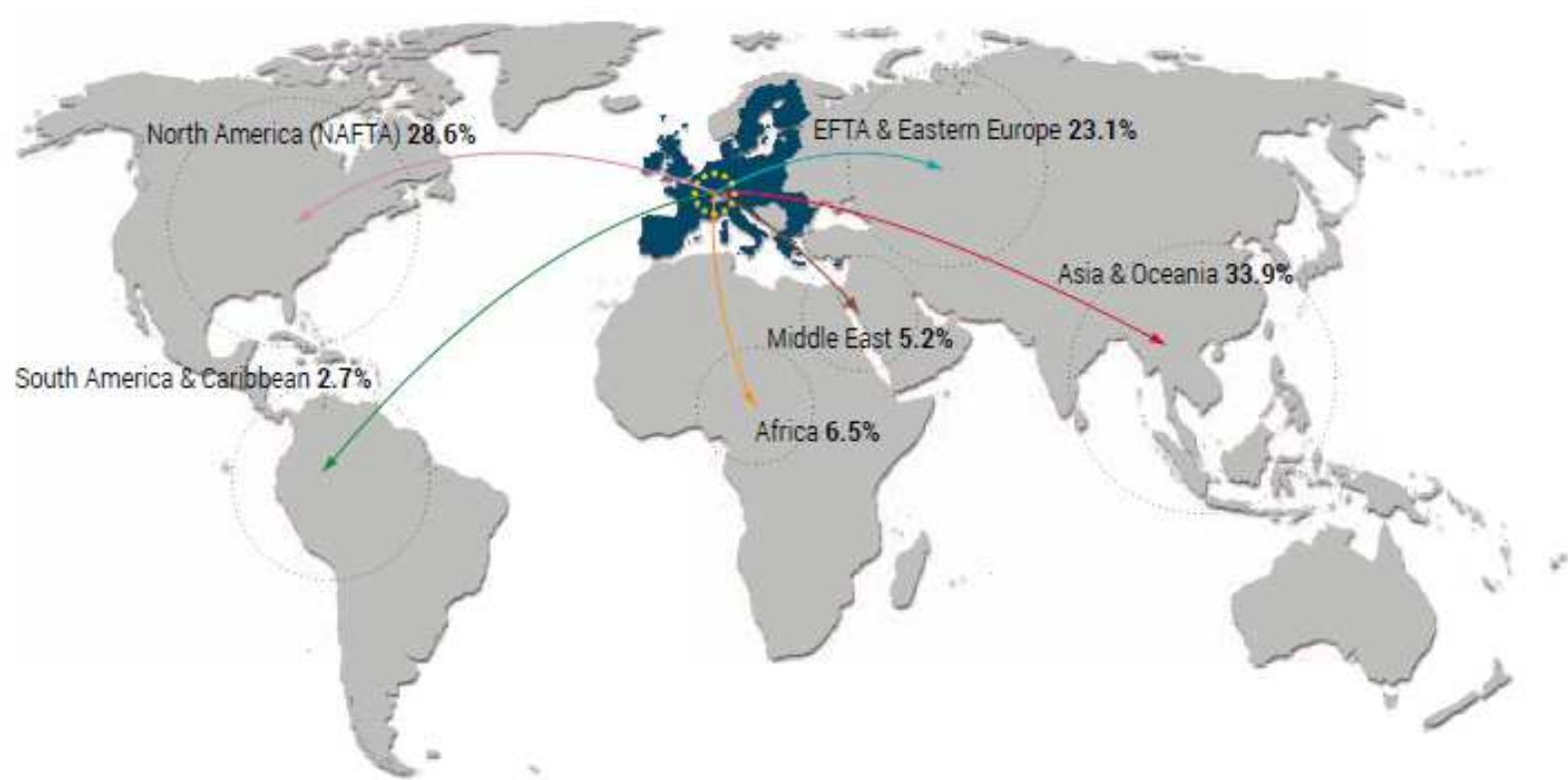


CO2 emissions



TRADE

EU exports of passenger cars — by value, % share | 2013



Source: EUROSTAT

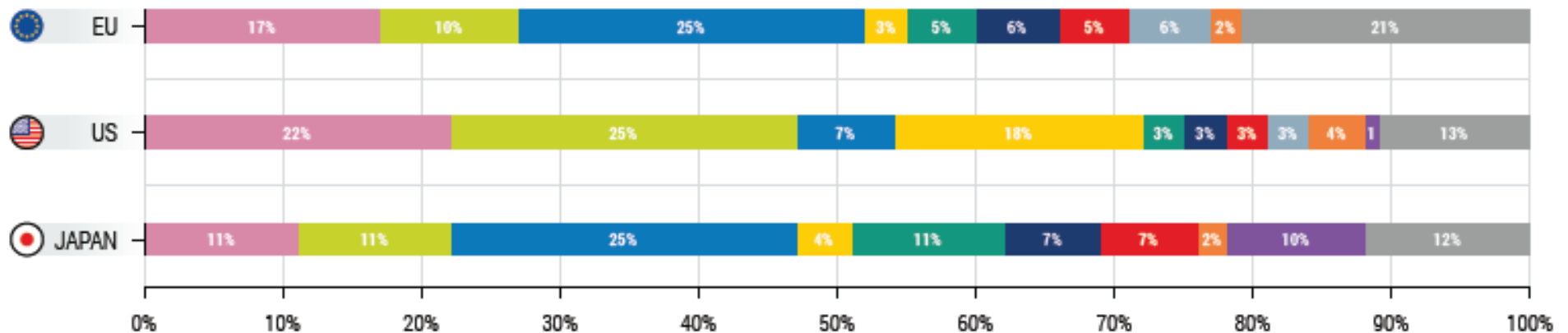
EU motor vehicle trade

		2012			2013			% CHG 13/12		
TRADE IN VALUE (€m)		IMPORTS	EXPORTS	TRADE BALANCE	IMPORTS	EXPORTS	TRADE BALANCE	IMPORTS	EXPORTS	TRADE BALANCE
	Passenger cars	24,074	107,751	83,677	23,511	111,560	88,049	-2.3%	3.5%	5.2%
	Commercial vehicles (up to 5t)	3,401	4,637	1,236	3,488	4,503	1,015	2.5%	-2.9%	-17.9%
	Commercial vehicles (over 5t) + buses and coaches	823	7,156	6,333	995	6,987	5,992	20.9%	-2.4%	-5.4%
TOTAL		28,298	119,544	91,246	27,993	123,049	95,056	-1.1%	2.9%	4.2%

		2012		2013		% CHG 13/12	
TRADE IN VOLUME (units)		IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS
	Passenger cars	1,976,748	5,764,041	2,022,886	5,887,064	2.3%	2.1%
	Commercial vehicles (up to 5t)	332,002	427,487	286,849	512,442	-13.6%	19.9%
	Commercial vehicles (over 5t) + buses & coaches	91,560	220,134	89,392	247,209	-2.4%	12.3%
TOTAL		2,400,310	6,411,662	2,399,127	6,646,715	-0.05%	3.7%

⇒ The EU exported 6.6 million vehicles in 2013.

R&D shares of sectors of the main world regions | 2013



SOURCE: THE 2013 EU INDUSTRIAL R&D INVESTMENT SCOREBOARD
EUROPEAN COMMISSION, JRC/DG RTD

⇒ The EU auto industry invests over 32€ billion into R&D.

Demand-side policy measures affecting automobile industry

1. EU initiatives affecting automobile demand
2. Upcoming EU initiatives affecting the auto industry

- **At a national level:**

- A variety of **car-scraping schemes** (e.g. Spain, UK).
- **Tax incentives** for alternative fuel vehicles.



- **At the EU level:**

- Policy frameworks on the deployment of **alternative fuels infrastructure** (e.g. electric vehicle charging systems).



UPCOMING EU INITIATIVES AFFECTING THE AUTO INDUSTRY

- **New target for CO₂ emissions from 2020 for new passenger cars.**
- **CO₂ certification for heavy-duty vehicles.**
- **RDE and WLTP procedures.**
- **Regulatory framework for type-approvals.**
- **Weight and dimensions of heavy commercial vehicles.**
- **Free Trade Agreement (U.S. & Japan).**



1. Automobile industry market trend:

- ⇒ **Slow recovery** versus a low base year.
- ⇒ **Exports** continue to be significant.

2. New European Commission and Parliament to focus on an agenda to promote growth.

- ⇒ ACEA requests an **EU competitiveness strategy** for the automotive industry.



ACEA

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