

French car market registrations - February 2025

French car market falls again in February

- **Down 1%, registrations of new passenger cars in February were strongly influenced by the change in the bonus scale.**
- **Electric car registrations, mainly driven by fleets, surged in the first half of the month, before the deadline for benefiting from more generous bonus conditions.**
- **The increased malus from March 1st has boosted registrations of certain models concerned by CO₂ emissions.**
- **Plug-in hybrids are subject to less advantageous regulations, which will become even stricter in 2027.**
- **These changes to the bonus and malus schemes are helping to steer the market towards second-hand vehicles.**
- **FOCUS: longer resale times for used electric cars.**

Following January's decline, registrations of new passenger cars (PCVs) fell by a further 1% in February, with one less working day. The combined effects of the reduction in the bonus for electric cars and the increase in the malus, which come into force on March 1st were not enough to help the market rebound.

AAA Data, the augmented data expert, recorded 141,568 new car registrations over the past month, down 1% on February 2024, which had benefited from the launch of social leasing. Since the beginning of the year, the decline has accelerated to - 3%

After January already down 6%, the car market confirms its return to the long downward trend observed since last May and only interrupted in December. In February, the market was largely driven by regulatory changes. Firstly, the reduction in the bonus for electric models, since cars registered up to February 14 (if ordered before December 2) still benefited from the more favorable conditions of the previous scheme. At the same time, the adoption of the Finance Bill resulted in an increase in the malus on March 1, which meant that the models concerned could be registered earlier.

" We clearly saw two sequences over the month: a wave of electric car registrations up to the 14th, then a drop-off the following day. says Marie-Laure Nivot, Head of automotive market analysis at AAA Data. "Demand is still largely driven by purchase incentives. These changes in bonuses and malus make the market difficult to understand, as these early registrations are likely to weigh on next month's momentum, at a time when the share of electric powertrains needs to increase further to meet CO₂ emission reduction targets."

Electric car registrations peak before bonus cuts

To benefit from the previous, more favorable bonus scale, electric cars ordered before December 2, 2024, had to be delivered by February 14 at the latest. This deadline generated a peak in electric car

registrations (+59%), and their share climbed to 25% up to February 14, before falling back over the month as a whole to -2% and a share of 18%, a level barely above the recent average (2024) of around 17%. The electrification of the fleet market (companies, public authorities and long-term leasers) is making significant progress, with demand for electric models jumping 41% and a market share of 20%, while the private sales channel, which alone accounts for more than half (51%) of electric car registrations, is down 29% for this motorization (the social leasing launched last year at this time only concerned private customers)

A number of brands are reporting strong growth in electric vehicles: Renault, with the highest volume of electric vehicles at +57%, again largely thanks to the Renault 5, and with the first examples of the Renault 4 appearing in B-SUV registrations; other brands have more than doubled their sales of electric vehicles, such as Citroën, with its ë-C3 in the lead, Volkswagen, whose D-segment SUV, the Tayron, is appearing in registrations for the first time, Audi, and Mini. Skoda (+85%), which has just launched its Elroq compact SUV, and Hyundai (+71%) and DS (+72%) are all up sharply on small volumes, but are starting to register their first D-segment N°8s. New electric models also include the small B-segment SUV Opel Frontera, also available as a hybrid.

Hybrid powertrains still in high demand, except for

Hybrids are driving the new car market, accounting for a combined 48% of registrations. In detail, micro-hybrids (MHEV: 22% of the market) are benefiting from a wide range of products that automakers are continuing to expand, at prices lower than those of conventional hybrids. They show by far the strongest growth (+81%), thanks to strong demand from fleets. Many of them, like the Peugeot 3008, are affected by the change in the malus threshold (from 118 to 113g) or its increase on March 1st.

Hybrids (HEV), whose most popular models are less affected by the penalty, gained 28% to account for almost a quarter of registrations. On the other hand, plug-in hybrids continued to fall (-45%), due to the application of the weight-based penalty (with a 200 kg allowance), the end of certain exemptions for companies - their main market - and the gradual application of the new Euro 6e-bis standard: since January 1, this has resulted in higher CO₂ emissions for newly-approved models, which are therefore less attractive to corporate fleets. In 2027, the future Euro 6e-bis-FCM standard will impose even stricter tests, and plug-in hybrids will have lost most of their advantage over simple hybrids in terms of CO₂ emissions.

The more stringent penalty scale introduced on March 1st will mainly affect non-electrified petrol and diesel engines, whose volumes have already fallen sharply. Diesel now accounts for just 5% of the market, and almost half that for private customers, falling by 34%. As for gasoline models, they are also continuing to decline (-27%). The decline in combustion engines is more marked for certain brands, such as Peugeot (-63% petrol, -45% diesel), Citroën (-43% petrol, diesel), BMW (-41% petrol, diesel) and Opel (-54% petrol, diesel).

The second-hand market remains positive since the beginning of the year

These regulatory changes, which increase the cost of new cars, continue to favor the used car market. With 439,348 transactions, it fell by 0.8% over the month, but remains positive by 3.4% since the beginning of the year. The market continues to be driven by models with Crit'Air 1 stickers (mainly petrol engines registered from January 2011), which account for 38% of the monthly used car market (+9%). Electric cars are growing even faster (+ over the month), but volumes are still modest and market share is tending towards 3%.

FOCUS: longer resale times for used electric cars

According to the Avère France-Mobilians used electric car barometer (VEO), in collaboration with AAA DATA, published in January: the arrival of electric models on the used car market in significant volumes began in 2019 and is gradually accelerating. A large proportion are resold by professionals, at over 45% (compared with 35% for recent used combustion cars). The average resale period for these used electric cars among professionals is significantly longer than for other powertrains: 147 days on average, compared with 101 days for used combustion-powered cars. However, there are significant disparities according to age and segment, suggesting price sensitivity on the part of buyers. Used electric cars between 3 and 5 years old can be resold in less than 120 days, while more recent models, less than 3 years old, take around 50 days longer. And smaller A-segment models find buyers more quickly than those in higher segments. Geographical location also plays a role, as resale times appear to be shorter than the national average in the Ile-de-France and Auvergne-Rhône-Alpes regions.

Press contact:

aaadata@rumeurpublique.fr

Léo Chompré - 06 14 35 41 74

Arthur Barbier - 07 71 80 76 69

About AAA DATA :

AAA DATA, a historic and benchmark player in enhanced data, detects and identifies consumer behaviors, needs and trends to anticipate tomorrow's uses and offer its customers tailor-made models. Thanks to its data repository and expertise, AAA DATA has been able to develop innovative solutions and anticipate tomorrow's needs, in a wide variety of consumer fields.
aaa-data.fr