**SMMT NEW CAR REGISTRATIONS**

6 JANUARY 2022 (data for December and FY 2021)

**Hi-res charts available via Dropbox:** <https://www.dropbox.com/sh/l212t9290ic6i9t/AAAq5KQqVIOYjvX9U4EMIOgDa?dl=0>

**Covid stalls 2021 UK new car market but record EV sales show future direction**

* 1.65m new cars registered in 2021 – up just 1.0% on pandemic-ravaged 2020 and -28.7% below pre-Covid levels as myriad challenges subdue market.
* Plug-in vehicles account for record more than one in six registrations, while battery electric cars alone rise to one-in-nine, with more registered than 2016-2020 combined.
* Industry calls for incentive extension and mandated chargepoint targets to accelerate consumer uptake and maintain Britain’s attractiveness against competitor markets.

**Thursday 6 January, 2022** 2021 new car registrations grew by a marginal 1.0% on a pandemic-ravaged 2020, as 1.65 million new cars entered the UK market, according to new figures released today by the Society of Motor Manufacturers and Traders (SMMT). The figures underline the ongoing impact of Covid and the semiconductor shortage on the industry, with the market down -28.7% on pre-pandemic 20191, representing the second worst year since 1992.2

There was some good news, however, with 2021 the most successful year in history for electric vehicle uptake as more new battery electric vehicles (BEVs) were registered than over the previous five years combined.3 190,727 new BEVs joined Britain’s roads, along with 114,554 plug-in hybrids (PHEVs), meaning 18.5% of all new cars registered in 2021 can be plugged in. This is in addition to the 147,246 hybrid electric vehicles (HEVs) registered which took a further 8.9% market share in a bumper year for electrified car registrations, with 27.5% of the total market now electrified in some form.

Following billions of pounds of investment into new technology by manufacturers, more than 40% of models are now available as plug-ins. Indeed, the shift in customer preference for these new technologies continues apace, with December seeing BEVs take a record market share in a non-locked down trading month, accounting for 25.5% of all new registrations.

The UK finished 2021 as the third largest European market for new car registrations but the second largest by volume for plug-in vehicles and the second largest for BEVs. It is only in ninth position overall, however, in Europe for BEVs by market share, underlining the progress still to be made, despite the UK having among the most ambitious targets of all major markets with the end of sale of new petrol and diesel cars scheduled for 2030.

Recent announcements, including cuts to both purchase incentives and grants for home chargers, put the achievement of industry’s and government’s net zero ambitions at risk. Furthermore, the slow pace of growth in on-street public charging – where, on average, 16 cars potentially share one standard on-street charger – could put the brake on EV demand and undermine the UK’s attractiveness as a place to sell electric cars.4

Petrol-powered vehicles, including mild hybrids (MHEVs), remain Britain’s most popular powertrain, accounting for 58.3% of all new cars registered in 2021, with diesel-powered cars including MHEVs making up 14.2% of the market, followed by BEVs at 11.6%, HEVs at 8.9% and PHEVs at 7.0%.

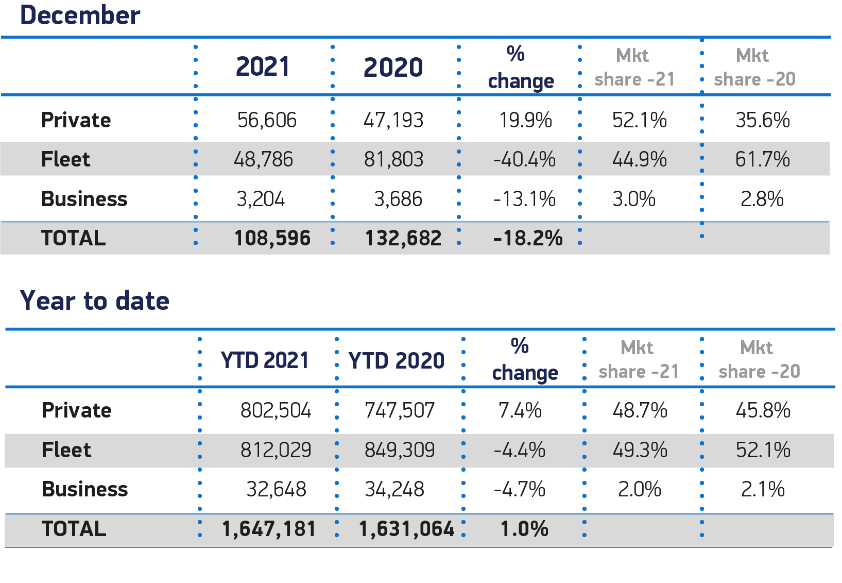
Registrations by private buyers increased by a moderate 7.4%, while those by businesses and large fleets fell by -4.4% and -4.7% respectively, in part due to supply shortages. Superminis remained Britain’s most popular cars, with 514,024 registrations, followed by the lower medium (449,631) and dual purpose (443,632) segments.

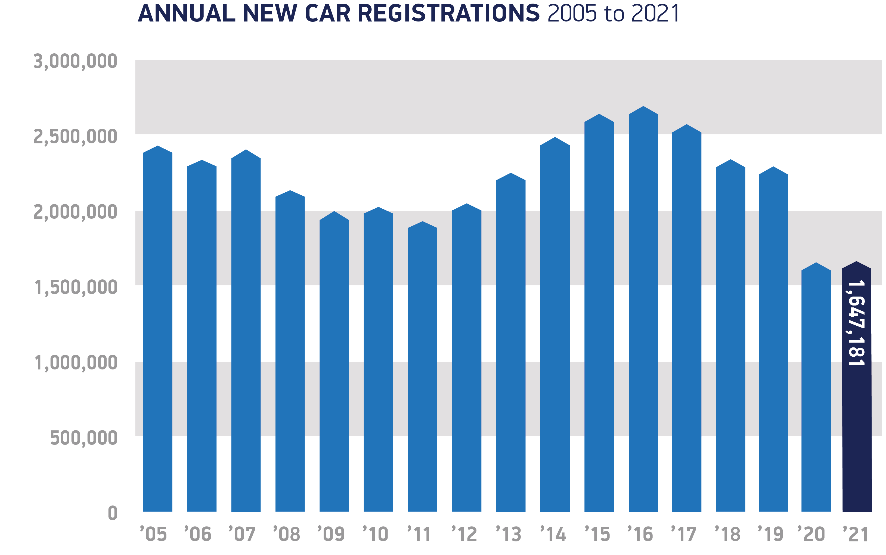
Looking ahead, the latest forecast for 2022 – published in October, before the rise of the Omicron variant – is for 1.96 million new car registrations.

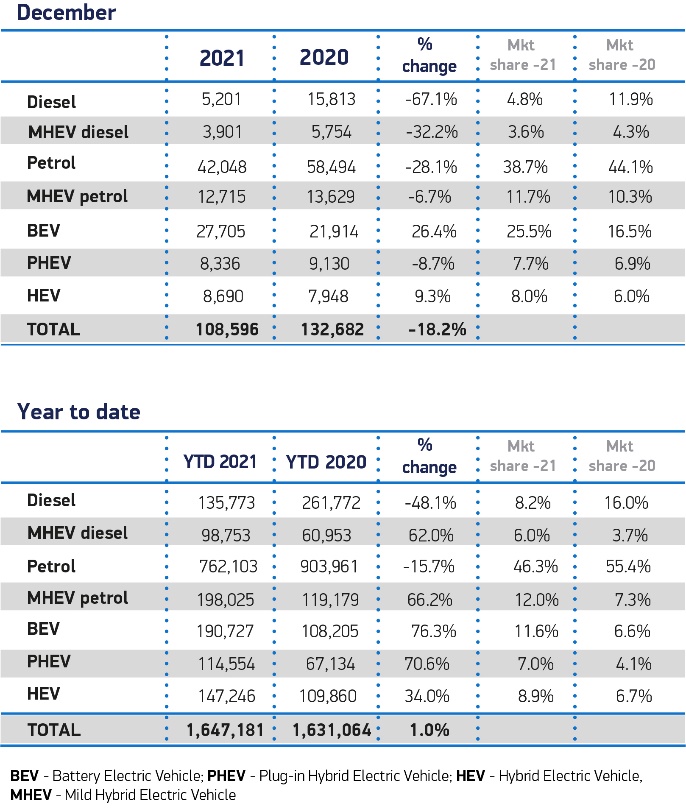
**Mike Hawes, SMMT Chief Executive**, said, “It’s been another desperately disappointing year for the car industry as Covid continues to cast a pall over any recovery. Manufacturers continue to battle myriad challenges, with tougher trading arrangements, accelerating technology shifts and, above all, the global semiconductor shortage which is decimating supply.

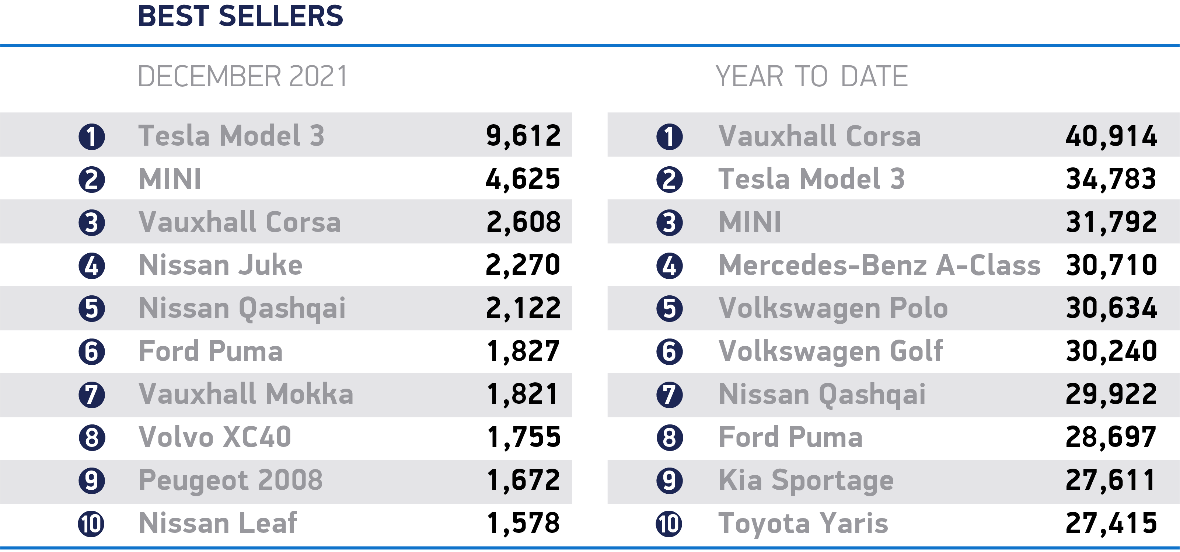
“Despite the challenges, the undeniable bright spot is the growth in electric car uptake. A record-breaking year for the cleanest, greenest vehicles is testament to the investment made by the industry over the past decade and the inherent attractiveness of the technology. The models are there, with two of every five new car models now able to be plugged in, drivers have the widest choice ever and industry is working hard to overcome Covid-related supply constraints.

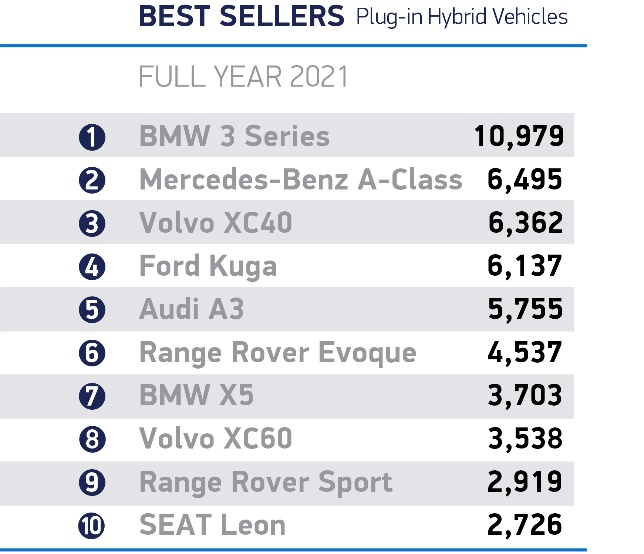
“The biggest obstacle to our shared net zero ambitions is not product availability, however, but cost and charging infrastructure. Recent cuts to incentives and home charging grants should be reversed and we need to boost the roll out of public on-street charging with mandated targets, providing every driver, wherever they live, with the assurance they can charge where they want and when they want.”

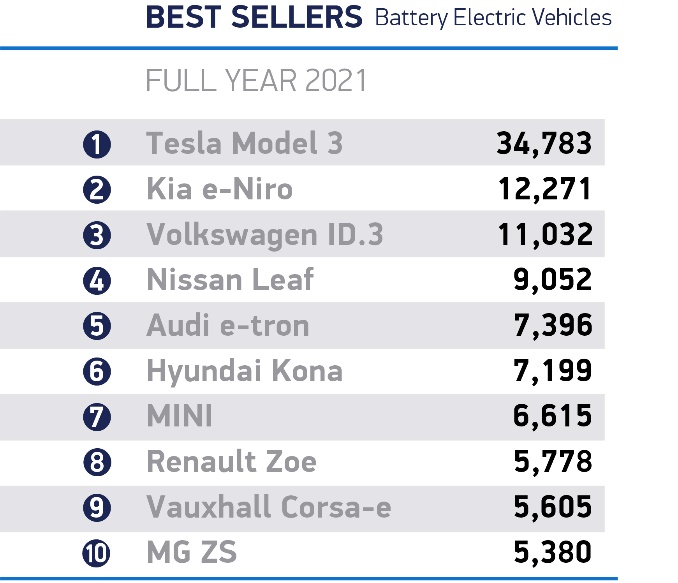












**Notes to editors**

**1 2019 registrations: 2.3 million**

**2** 1992 registrations: 1.594 million

3 BEV registrations 2016-2020: 185,471  
4 [*Car charging point numbers fall behind as plug-in vehicles surge*](https://www.smmt.co.uk/2021/11/car-charging-point-numbers-fall-behind-as-plug-in-vehicles-surge/), 30 November 2021

**About SMMT and the UK automotive industry**

The Society of Motor Manufacturers and Traders (SMMT) is one of the largest and most influential trade associations in the UK. It supports the interests of the UK automotive industry at home and abroad, promoting the industry to government, stakeholders and the media.

The automotive industry is a vital part of the UK economy, and integral to supporting the delivery of the agendas for levelling up, net zero, advancing global Britain, and the plan for growth. It contributes £60 billion turnover and £12 billion value added to the UK economy, and invests around £3 billion each year in R&D. With more than 155,000 people employed directly in manufacturing and some 800,000 across the wider automotive industry, it accounts for 11% of total UK exports with more than 150 countries importing UK produced vehicles, generating more than £73 billion of trade.

More than 30 manufacturers build more than 70 models of vehicle in the UK, supported by more than 2,500 component providers and some of the world's most skilled engineers. The automotive sector also supports jobs in other key sectors – including advertising, chemicals, finance, logistics and steel. Many of these jobs are outside London and the South-East, with wages that are around 25% higher than the UK average.

More detail on UK automotive available in SMMT's Motor Industry Facts 2021 publication at [smmt.co.uk/facts21](https://www.smmt.co.uk/reports/smmt-motor-industry-facts-2021/)

**Broadcasters:** SMMT has an ISDN studio and access to expert spokespeople, case studies and regional representatives.

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