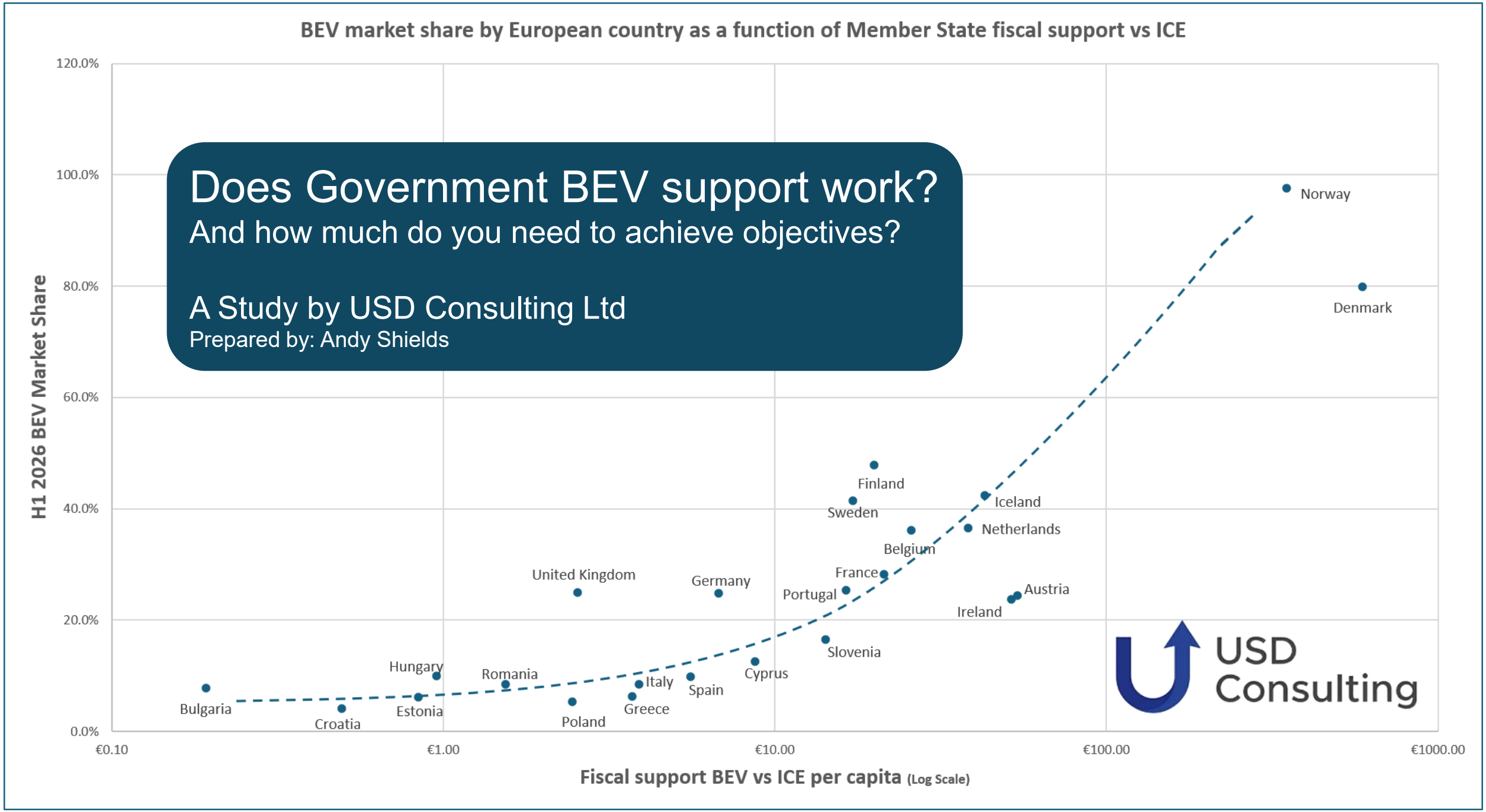
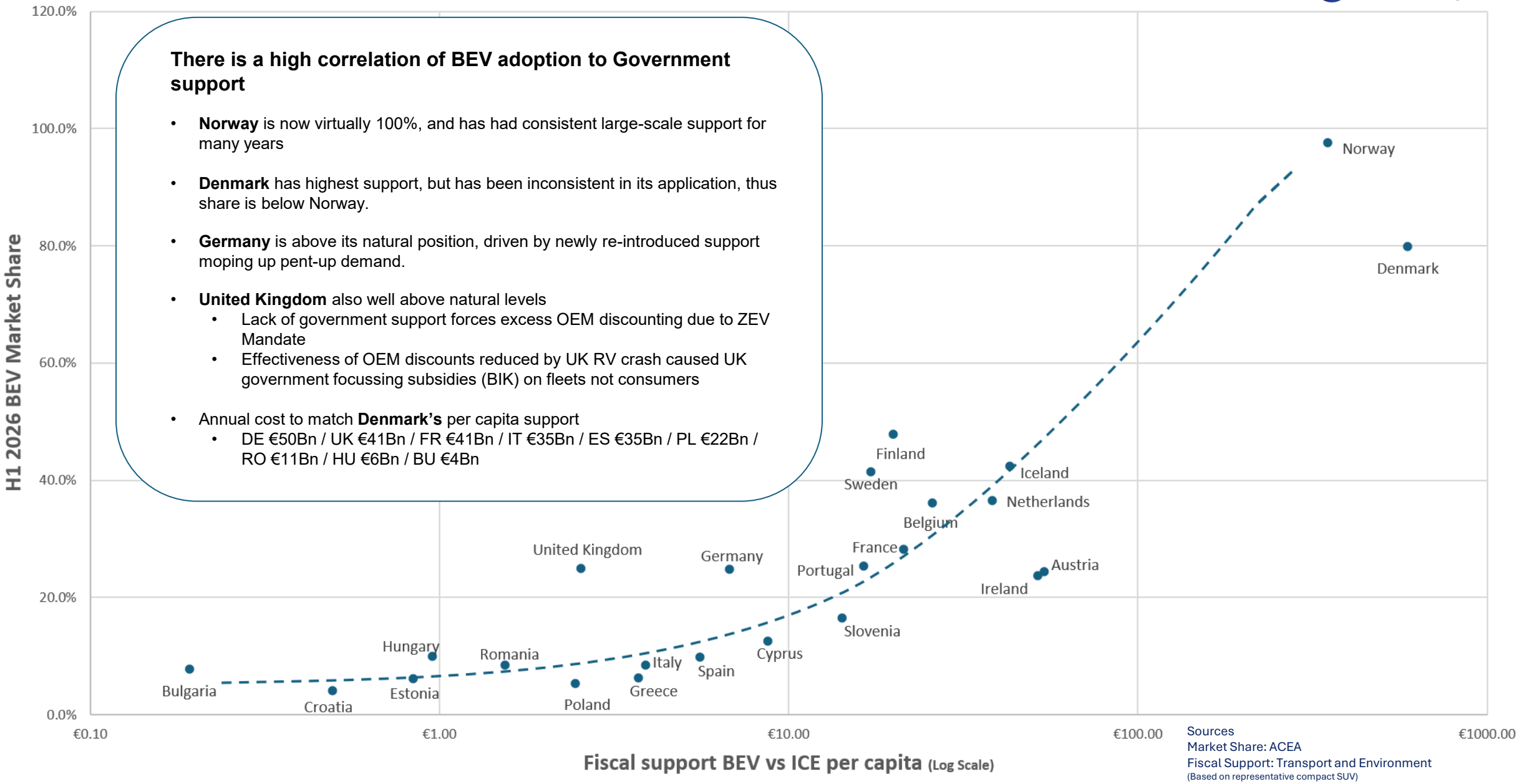

BEV market share by European country as a function of Member State fiscal support vs ICE
Does Government BEV support work?
And how much do you need to achieve objectives?
A Study by USD Consulting Ltd
Prepared by: Andy Shields
H1 2026 BEV Market Share
120.0%
100.0%
80.0%
60.0%
40.0%
20.0%
0.0%
€0.10
€1.00
€10.00
€100.00
€1000.00
Fiscal support BEV vs ICE per capita (Log Scale)
Norway
Denmark
Finland
Sweden
Iceland
Netherlands
Belgium
France
Portugal
Austria
Ireland
United Kingdom
Germany
Slovenia
Cyprus
Spain
Italy
Greece
Poland
Hungary
Romania
Estonia
Croatia
Bulgaria
USD Consulting

BEV market share by European country as a function of Member State fiscal support vs ICE

USD Consulting

There is a high correlation of BEV adoption to Government support

- **Norway** is now virtually 100%, and has had consistent large-scale support for many years
- **Denmark** has highest support, but has been inconsistent in its application, thus share is below Norway.
- **Germany** is above its natural position, driven by newly re-introduced support moping up pent-up demand.
- **United Kingdom** also well above natural levels
  - Lack of government support forces excess OEM discounting due to ZEV Mandate
  - Effectiveness of OEM discounts reduced by UK RV crash caused UK government focussing subsidies (BIK) on fleets not consumers
- Annual cost to match **Denmark's** per capita support
  - DE €50Bn / UK €41Bn / FR €41Bn / IT €35Bn / ES €35Bn / PL €22Bn / RO €11Bn / HU €6Bn / BU €4Bn



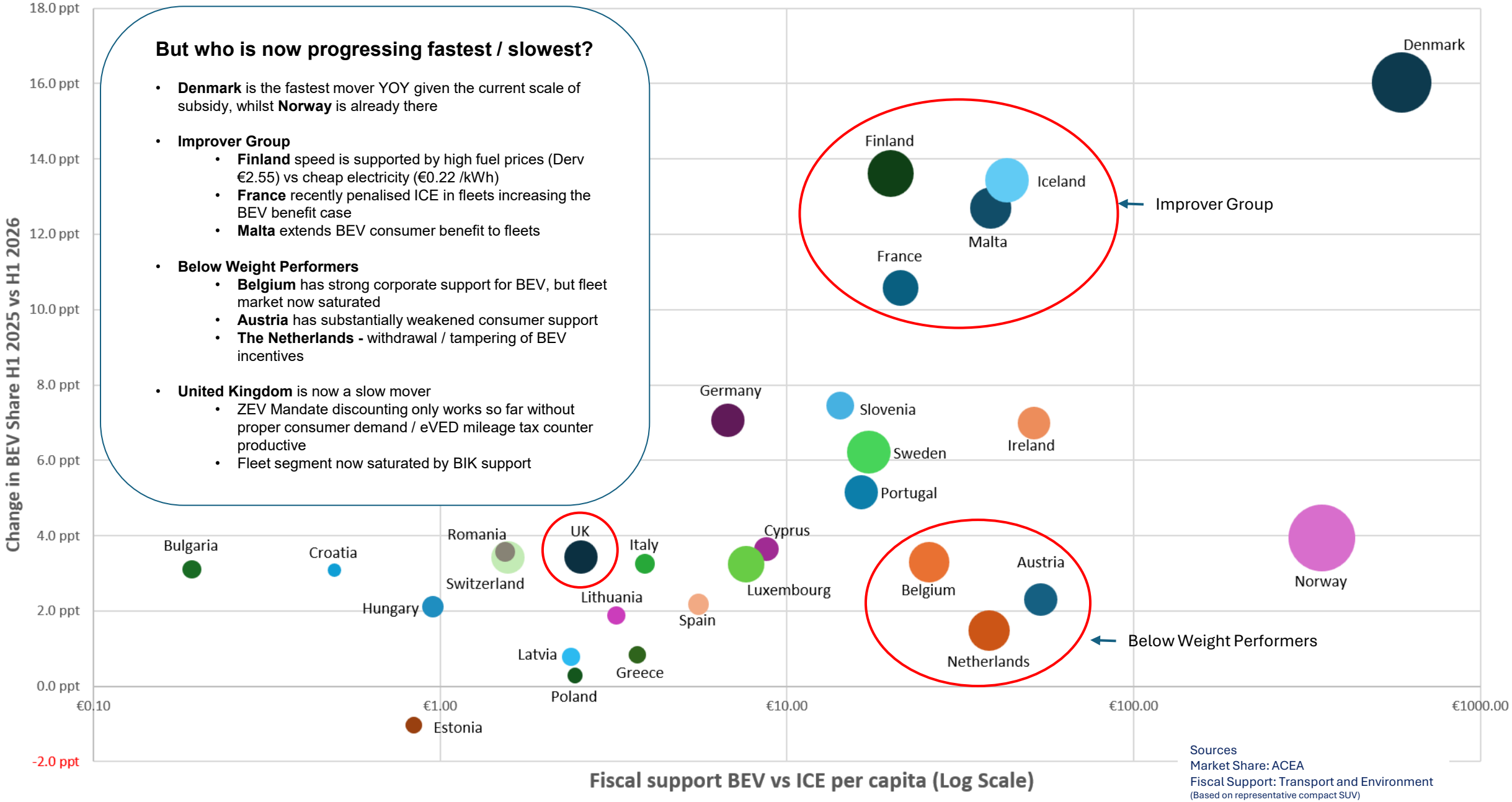
Sources
Market Share: ACEA
Fiscal Support: Transport and Environment
(Based on representative compact SUV)

YOY Change in BEV share as function of Member State fiscal suppport vs ICE

USD Consulting

But who is now progressing fastest / slowest?

- **Denmark** is the fastest mover YOY given the current scale of subsidy, whilst **Norway** is already there
- **Improver Group**
  - **Finland** speed is supported by high fuel prices (Derv €2.55) vs cheap electricity (€0.22 /kWh)
  - **France** recently penalised ICE in fleets increasing the BEV benefit case
  - **Malta** extends BEV consumer benefit to fleets
- **Below Weight Performers**
  - **Belgium** has strong corporate support for BEV, but fleet market now saturated
  - **Austria** has substantially weakened consumer support
  - **The Netherlands -** withdrawal / tampering of BEV incentives
- **United Kingdom** is now a slow mover
  - ZEV Mandate discounting only works so far without proper consumer demand / eVED mileage tax counter productive
  - Fleet segment now saturated by BIK support



Sources
Market Share: ACEA
Fiscal Support: Transport and Environment
(Based on representative compact SUV)

Sustainable BEV adoption requires coordinated incentives, regulation and lifecycle policy support

- **BEV adoption is strongly associated with the level of fiscal support** provided relative to ICE vehicles. Markets with the strongest and most consistent incentives have generally achieved the highest penetration.
- **Norway and Denmark** demonstrate what sustained, high levels of support can achieve, but replicating these models across Europe would require very substantial public expenditure. This is challenging even for wealthier Western European countries and significantly less affordable for lower-income Member States.
- **Germany, the Netherlands and Austria** illustrate the sensitivity of BEV demand to changes in fiscal support. When incentives are reduced or withdrawn, adoption can slow rapidly, even in relatively mature BEV markets.
- The **balance between fleet and private-market incentives** is as important as the overall level of support. Stimulating fleet BEV demand without developing corresponding private and used-car demand risks creating an oversupply of ex-fleet vehicles, depressing residual values and increasing the effective cost of future leasing and incentive programmes.
- **Poor residual-value outcomes** can therefore absorb a significant proportion of government support. Subsidies that initially reduce the cost of new BEVs may ultimately be offset by higher depreciation, higher leasing costs and weaker used-market economics.
- **ZEV mandates do not remove the cost** of stimulating adoption; they transfer part of that cost from government to manufacturers, leasing companies and other mandated market participants. This can accelerate near-term registrations, but excessive reliance on mandates can lead to discounting, margin pressure and residual-value deterioration.
- Sustainable BEV adoption requires more than achieving new-car registration targets. **Policy must support the complete vehicle lifecycle**: new private demand, fleet demand, used-BEV demand and residual values.
- Europe's decarbonisation strategy therefore needs a **coordinated approach to incentives and regulation**. Mandatory targets, fiscal support and fleet policies should be designed together, with explicit consideration of affordability, used-car demand and residual-value stability. Without this, policy may deliver rapid short-term registration growth at unnecessarily high economic cost and with weaker long-term market sustainability.