Market evolution: Passenger cars (CN 8703) — 2015–2025

Introduction

Between 2015 and 2025, EU extra-EU trade in passenger cars (CN 8703) underwent a profound transformation. While the Union remained a large net exporter, its trade surplus narrowed sharply as import values surged and export volumes contracted. The overview dashboard reveals three interwoven dynamics that dominate the period: a technology-driven shift in the vehicle mix, a broad-based diversification of trading partners, and a reconfiguration of production specialisation inside the EU itself.

The electric pivot reshapes the vehicle mix in EU passenger car trade

The composition of both imports and exports moved decisively away from traditional internal-combustion engines towards electrified powertrains. This structural change redefined volumes, values and unit prices.

Battery-electric vehicles evolve from a niche to a mainstream trade category

In 2017 electric-only vehicles (CN 870380) represented negligible quantities on both sides of the ledger. By 2025 they had become one of the most important segments.

Segment (CN)	2017 imports (units)	2025 imports (units)	2017 exports (units)	2025 exports (units)
Battery-electric (870380)	36 641	1 082 416	77 831	1 607 928
Hybrid non-plug-in (870340)	344 551	1 139 618	31 722	1 007 623

Over the same horizon, the product-segment breakdown shows that diesel-powered cars (especially the 1 500–2 500 cm³ band, CN 870332) collapsed: imported units fell from 1 304 407 to 404 793, while exported units shrank from 2 570 902 to 826 356. The large petrol segment (CN 870323) also contracted, but small-capacity petrol cars (≤1 000 cm³, CN 870321) held up better, with imports rising from 477 466 to 753 484 and exports remaining broadly stable.

Unit prices illustrate the growing weight of higher-value technology

Export and import unit values for electrified vehicles followed different paths. In 2025 the EU exported battery-electric cars at an average price of €17 763/unit and imported them at €13 811/unit, a significant premium reflecting the EU's focus on higher-end models. Meanwhile, average prices for all passenger car exports rose from €14 062 in 2015 to €17 431 in 2025 (+24 %), while import prices increased from €10 776 to €12 981 (+20.5 %), confirming a general move up the value chain.

Geopolitical realignment redraws the map of EU passenger car trade

The decade witnessed a dramatic reshaping of the EU's extra-EU partner landscape. The partners dashboard and concentration indices both point to a sharp reduction in trade concentration on both the import and export sides.

China pivots from top export market to dominant import supplier

EU passenger car exports to China peaked at €24.6 billion in 2022 but then collapsed, reaching only €8.4 billion in 2025 (−36.6 % over the full period). At the same time, imports from China skyrocketed from just €99 million in 2015 to €13.8 billion in 2025. This reversal, illustrated by the enormous 1 387 5 % growth in import value, turned China into the single largest source of extra-EU passenger car imports.

Türkiye and Morocco rise as two-way manufacturing hubs

Türkiye became the second-largest import origin and a rapidly growing export destination. EU imports from Türkiye climbed from €4.3 billion to €10.1 billion (+136 %), while exports reached a record €15.6 billion in 2025, more than double their 2015 level. Morocco similarly expanded, with imports rising from €1.2 billion to €4.4 billion (+258 %). Both countries now function as assembly platforms integrated with European supply chains.

Traditional transatlantic and neighbouring flows lose relative importance

Imports from the United Kingdom, the top supplier in 2015, dropped from €14.9 billion to €9.9 billion (−33 %), while exports fell from €41.3 billion to €36.5 billion. The United States remained the second export market but saw its value slip from €34.3 billion to €31.2 billion (−9 %). Imports from the US were largely stable in value but experienced a notable price shock in 2022 when unit values jumped 17.9 % above their 2020–2021 baseline (see shock event). The overall Herfindahl-Hirschman Index (HHI) for imports fell 33 % and for exports 21 %, confirming a broader, less concentrated partner structure.

The intra-EU production centre of gravity shifts eastward

The distribution of extra-EU exports among member states changed markedly, with Central and Eastern European countries capturing market share from traditional manufacturing heavyweights. The reporters dashboard and specialisation map illustrate this transformation.

Germany's export pre-eminence weakens while Slovakia and Czechia gain ground

Germany's extra-EU passenger car exports decreased from €97.8 billion in 2015 to €80.7 billion in 2025 (−17.5 %), a loss of more than €17 billion. In contrast, exports from Slovakia more than doubled (from €5.2 billion to €12.3 billion; +134 %), and Czechia's almost doubled (from €4.7 billion to €9.2 billion; +94 %). Sweden also joined the group of fast-growing exporters, rising from €2.9 billion to €6.0 billion (+104 %).

Specialisation indices confirm the new automotive geography

By 2025 the most specialised reporters in extra-EU passenger car trade were Slovakia (RSCA 0.56), Slovenia (0.40), Czechia (0.34), Spain (0.27) and Romania (0.24). Germany's RSCA stood at a more moderate 0.18, reflecting its broader export base. The least specialised member states – Malta, Ireland, Greece, Bulgaria and the Netherlands – had negligible or negative RSCA values, underscoring the concentration of car manufacturing in a handful of countries.

Import demand is more evenly spread across member states

On the import side, the picture remains more dispersed. Germany, Belgium, Spain, France and Italy together accounted for the bulk of extra-EU purchases, but no single member dominated. German imports rose from €11.8 billion to €18.3 billion (+55 %), while Spanish imports jumped from €4.0 billion to €10.1 billion (+152 %). Belgium and Italy also recorded strong increases, and Slovenia's imports almost quadrupled.

Conclusion

Over the 2015–2025 period, EU extra-EU passenger car trade experienced a triple transition. First, the propulsion technology mix flipped: battery-electric and hybrid vehicles moved from marginal to central, while diesel-powered models shrank drastically. Second, the partner geography became far more diverse; China, Türkiye and Morocco transformed the import structure, and export reliance on the US and UK softened despite those markets remaining crucial. Third, within the EU, export production shifted away from Germany towards the Central and Eastern European automotive hubs, reflecting new investment patterns in both conventional and electric vehicle assembly. The combined result is a passenger car trade that remains strongly surplus-generating but is more volatile, more electrified, and more multipolar than a decade ago.

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