## Car production down 7.6% in first half of year as manufacturers switch to EVs

UK car production fell by 7.6% in the first six months of the year, new figures suggest.

Industry body the <u>Society of Motor Manufacturers and Traders</u> (SMMT), which released the data, said the decline was "expected" due to car makers overhauling lines to make electrified models.

Factories turned out 416,074 new cars between January and June, 34,094 fewer than in the same period in 2023.

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Mike Hawes, SMMT

The decline in electric car production matched the overall trend, at 7.6%.

Just over 106,157 cars were built for the UK, an increase of 17.7% year-on-year, but there was a 13.9% decline in production for overseas buyers to 309,917 units.

The <u>European Union</u> continued to take the majority of car exports (55.4%).

The US, China, Turkey and Australia made up the rest of the top five export locations, accounting for a combined 29.4% of all overseas orders.

Japan, Canada, South Korea, the United Arab Emirates and

Switzerland completed the top 10.

The latest independent outlook shows total production this year is expected to reach around 910,000 units, which would be a decline of 9.3% compared with 2023.

SMMT chief executive Mike Hawes said: "The UK auto industry is moving at pace to build the next generation of electric vehicles — a transition that can be a growth engine for the entire British economy.

"The new Government's commitments to gigafactories, a decarbonised energy supply and a faster planning system will help boost our competitiveness and sustain employment in a sector that delivers well-paid, skilled jobs nationwide.

"Amid fierce global competition, however, industry and Government must work quickly to deliver those commitments, creating an industrial strategy that enables the growth the economy craves."

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Mr Hawes said the industry entered the year with a "degree of optimism" due to investment commitments made by manufacturers last year which totalled £24 million.

He said the transition from building petrol and diesel-powered new cars to electric models "was always going to be difficult and volatile".

He attributed the overall 7.6% decline to manufacturers such as Mini, Nissan and Jaguar Land Rover making "significant model changes".