

# EU-US AUTOMOBILE TRADE: FACTS AND FIGURES

- Auto-related trade currently accounts for some 10% of total trade between the EU and the US.
- Today, the US is the third biggest exporter of passenger cars to the European Union: 20% of the total value of US car exports heads for the EU, representing 15.3% of EU car imports by value.
- The other way around, the United States is the number one destination for EU-built cars, accounting for 29.3% of the total EU export value and 25% of US global car imports by value.
- In 2017, EU-owned automobile manufacturers made close to 2.9 million passenger cars in the United States, accounting for 26% of total US production.
- At their US plants, EU carmakers provide direct and upstream jobs to almost 120,000 Americans across the United States, including in South Carolina, Alabama, Mississippi and Tennessee.

## GLOBAL TRADE

### European Union<sup>1</sup>

#### EU passenger car imports:

- Total value: €40,105 million
- Quantity: 3,053,085 units

#### EU passenger car exports:

- Total value: €127,712 million
- Quantity: 5,629,121 units

### United States<sup>2</sup>

#### US passenger car imports:

- Total value: \$168,023 million
- Quantity: 7,544,826 units

#### US passenger car exports:

- Total value: \$48,133 million
- Quantity: 2,175,023 units

## EU-US AUTOMOBILE TRADE<sup>1</sup>

### Passenger cars

- EU exports to the US in 2017: 1,149,919 cars worth about €37.4 billion
  - **29.3% of the EU global car export value headed for the US**
  - 25% of the US global car import value came from the EU
- US exports to the EU in 2017: 234,065 cars worth about €6.2 billion
  - **20% of the US global car export value headed for the EU**
  - 15.3% of the EU global car import value came from the US

<sup>1</sup> EUROSTAT

<sup>2</sup> US Department of Commerce, Bureau of Census

## Main destinations of EU passenger car exports (by value)

|                  |                             |                         |
|------------------|-----------------------------|-------------------------|
| 1. UNITED STATES | worth €37.4 billion in 2017 | -0.8% compared to 2016  |
| 2. CHINA         | worth €21.9 billion in 2017 | +11.0% compared to 2016 |
| 3. JAPAN         | worth €8.0 billion in 2017  | +9.6% compared to 2016  |
| 4. SWITZERLAND   | worth €7.3 billion in 2017  | -1.0% compared to 2016  |
| 5. TURKEY        | worth €6.5 billion in 2017  | -16.1% compared to 2016 |

Source: EUROSTAT

## EU AUTOMOBILE PRODUCTION AND EMPLOYMENT IN THE UNITED STATES

- EU car manufacturers do not only import vehicles into the United States, they also have a major manufacturing footprint there, generating hundreds of thousands of jobs.

### Production: 2.9 million cars built in the US by EU companies in 2017

- In 2017, EU-owned automobile manufacturers made close to 2.9 million passenger cars in the United States<sup>3</sup>, accounting for 26% of total US production<sup>4</sup>.
- Even if we leave out Fiat Chrysler Automobiles – seen as one of the traditional 'big three' US carmakers, but now in European hands – car production by EU-owned companies in the United States still amounts to 16% of US production and 1.8 million units<sup>5</sup>.

### Employment: 120,000 Americans work for EU car companies

- EU carmakers provide direct and upstream jobs to almost 120,000 Americans across the United States, including in South Carolina, Alabama, Mississippi and Tennessee<sup>5</sup>.
- Indeed, some EU car companies have their biggest plants not in the EU, but in the US.
- Downstream employment created by EU automobile manufacturers in the United States, including car dealers and retailers of automotive parts, is estimated at around 420,000<sup>4</sup> jobs.

### 60% of cars built in the US by EU companies are exported again

- In addition, EU-owned carmakers based in the United States export a significant part of their production, thus making a substantial contribution to improving the US trade balance.
- Around 60% of all passenger cars produced in the United States by companies with exclusive EU ownership are exported to third countries, including the European Union.

<sup>3</sup> IHS Markit (2018)

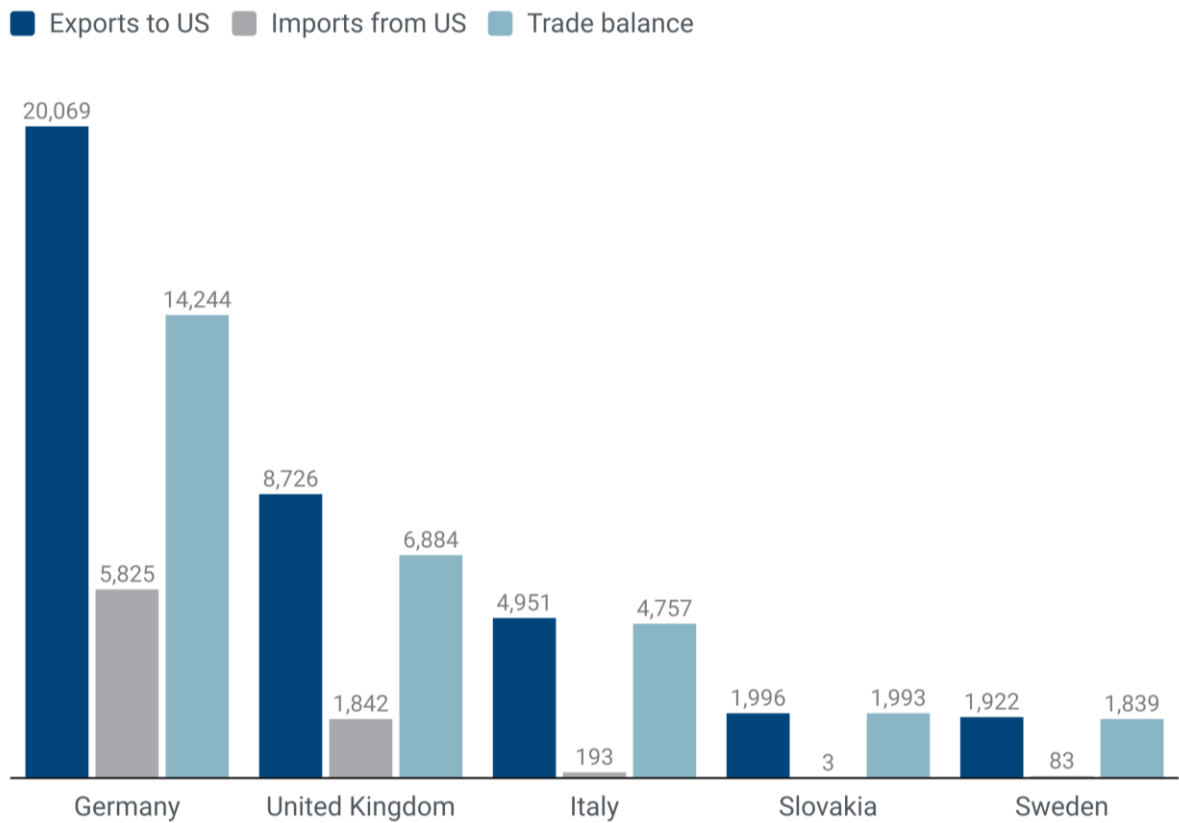
<sup>4</sup> European Commission (2018)

<sup>5</sup> US factories of companies with exclusive EU ownership (BMW Group, Daimler and Volkswagen Group)

# AUTOMOBILE TRADE BETWEEN THE US AND ITS MAIN EU PARTNERS

The chart below provides an overview of automobile trade between the United States and its main EU partners (Germany, United Kingdom, Italy, Slovakia and Sweden) in 2017.

## Import and export of passenger cars (in million dollars, 2017)<sup>6</sup>



<sup>6</sup> US Department of Commerce, Bureau of Census