

**MAY WITHOUT INCENTIVES HAS WORSENS THE CRISIS FOR THE CAR
INDUSTRY: DOWN 27.9% COMPARED TO 2019**

(55,000 units lost)

THE BIGGEST FALL IN 2021

**ANFIA, FEDERAUTO and UNRAE: essential incentives for 2021
DL Sostegni-bis an opportunity not to be wasted for the scrapping of cars**

Market data for May in Italy highlights the severe difficulties faced by the car industry in recovering from the financial crisis and, in addition, cancels out the albeit tentative recovery attempt of recent months that was supported by incentives. With 142,730 vehicle registrations recorded in the month, the loss in numbers amounts to some fifty-five thousand cars compared to May 2019, representing a drop of 27.9%, the heaviest fall in recent months. Moreover, the figures for May are much worse than the previous months of March and April (-12.7% and -17.1%, respectively, compared to the same months in 2019). Also, compared to the approximately 100 thousand cars sold in May 2020, the recovery (+43%) is far from assuming a departure from the crisis. Over the January-May period, the market lost approximately 1 in 5 cars, with 735,125 units (-19.3% vs 2019).

ANFIA, FEDERAUTO and UNRAE emphasise that May's figures are quantitative proof that the incentives for the 61-135 g/km CO₂ bracket have been very short-lived, being used up too soon to trigger a knock-on effect on our market. As the Associations reiterated today during a meeting at the Budget Committee of the Italian Chamber of Deputies, the hope is that the conversion of the so-called "Sostegni-bis" decree will include adequate measures to support the sector, encouraging the renewal of an old vehicle fleet. According to the most recent ACI data, in 2020, it will be even older, bringing the average age to 11 years and 10 months, one of the oldest in Europe.

To this end, it is necessary to provide adequate funding this year for incentives for the 61-135 g/Km range for scrapping vehicles, which have proved to be very popular with consumers and have had a very positive effect on the environment. Furthermore, the renewal of incentives for the purchase of latest-generation commercial vehicles is also of fundamental importance.

These incentives represent an investment for the Treasury rather than a subsidy, thanks to the increase in VAT and IPT revenues deriving from new vehicle sales.

An additional problem contributing to the worsening of conditions in the sector concerns the supply situation of semiconductors, which is generating a delay in the delivery of new vehicles. Therefore, in this regard, the Automotive Associations request that the current limit within which to finalise a purchase using Ecobonus be increased from 180 to 300 days so as not to thwart the initiative's effectiveness.

Finally, concerning the necessary reforms, the three Associations also renew their request to urgently amend the regulations on company cars as fringe benefits, adapting them to the values of the new WLTP type-approval procedure.

Rome, 1st June 2021