

THE DUTCH AND THEIR ELECTRIC CARS

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Heavy Commercial Vehicles
Royal RAI Association



ABOUT RAI ASSOCIATION

RAI Association is:

- Founder and co-owner RAI Amsterdam (75%)
- Founder Autorecycling Nederland

RAI Association and car importers: a long-term relationship

- RAI Association founded in 1893
- Representative body for all importers of passenger cars, light commercial vehicles and heavy commercial vehicles in the Netherlands
- Represents 85% of the market



RAI 2009



RAI ASSOCIATION

Is a trade association (700 members) of manufacturers, importers and distributors of road transport vehicles, parts, accessories and suppliers of workshop equipment and consists of the following sections:

1. Passenger Cars and Light Commercial Vehicles
2. Heavy Commercial Vehicles
3. RAI Automotive IndustryNL
4. RAI Aftermarket
5. RAI (semi) trailersNL
6. RAI Equipment
7. Bicycles
8. Motorcycles
9. Scooters



MEMBERS



Mercedes-Benz



Bedrijfswagens



HYUNDAI



LOUWMAN



DACIA
ALPINE



smart



HONDA



SEAT



CITO MOTORS
ASTON MARTIN

ISUZU

LEXUS



ŠKODA



MITSUBISHI
MOTORS
Drive your Ambition



ALFA ROMEO



NISSAN



JAGUAR



LAND-ROVER



MAZDA



PORSCHE

X P E N G

IVECO



Audi



BENTLEY



DAIHATSU



VINFAST



SSANGYONG



polestar



ASTON MARTIN



SUBARU



BUGATTI



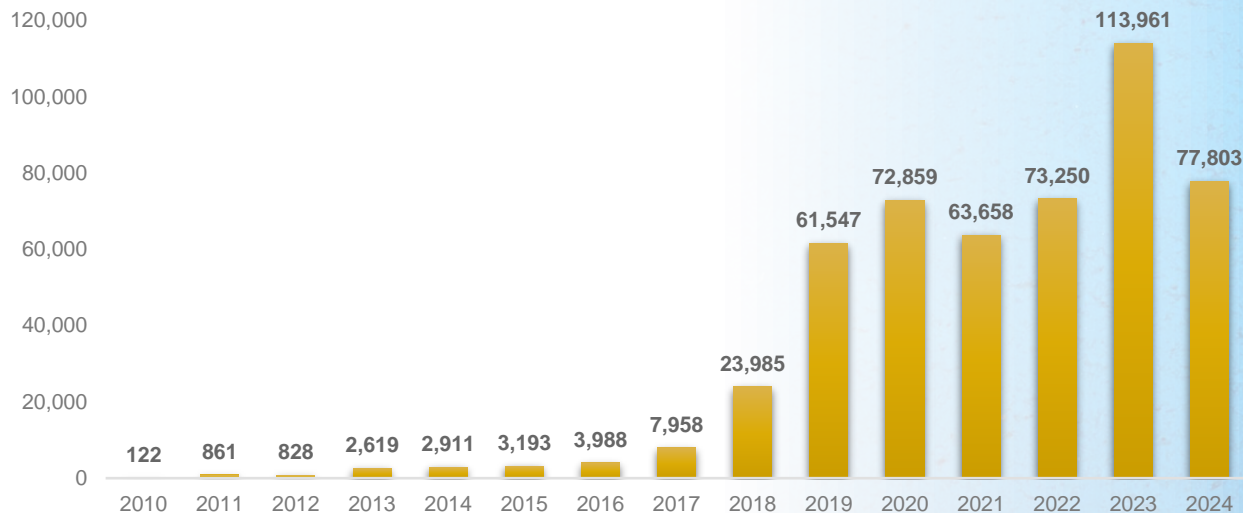
A close-up photograph of an electric vehicle (EV) charging station. A black charging cable with a white connector is plugged into a red charging port. The background is blurred, showing parts of the vehicle and the charging infrastructure. The overall color palette is dominated by light blue and white, with a warm orange glow emanating from the charging port area.

EXPERIENCES SO FAR

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- Sales heavily dependent on tax incentives
 - Exempt from road tax
 - Exempt from purchase tax (BPM)
 - Purchase subsidies
 - Discount in the additional tax liability

Annual sales of full electric passenger cars
2010 - 2024



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Tesla Model S - 2015

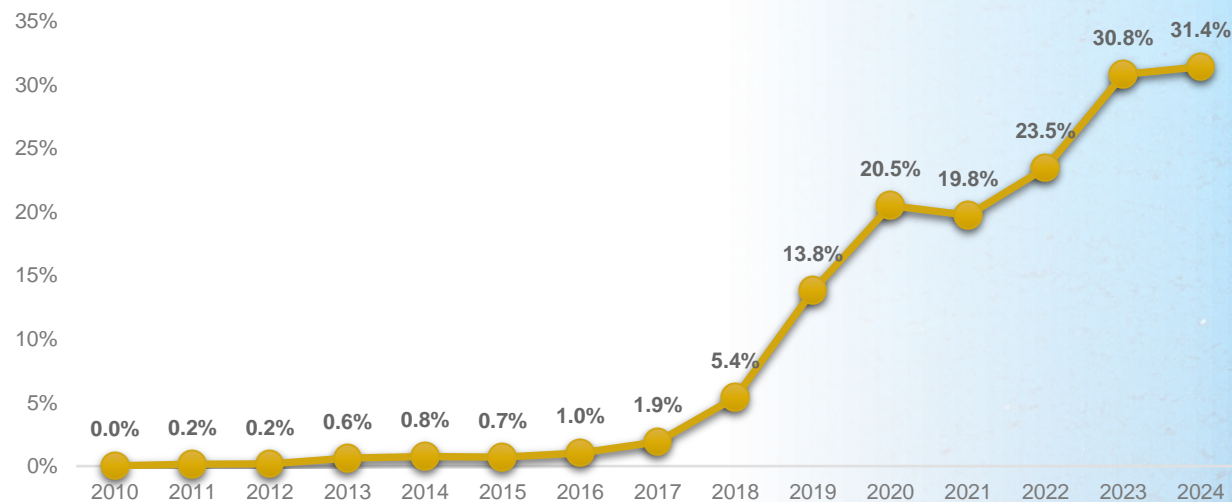
Consumer list price	€	100,000
No purchase tax (BPM)	€	-
VAT deductible (21%)	€	-17,355
Environmental subsidy (36%)	€	-29,752
Small-scale investment deduction	€	-15,687
Purchase price	€	37,206



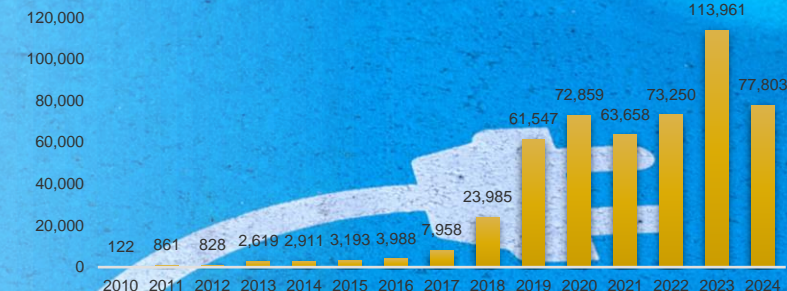
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Market share full electric passenger cars in new sales
2010 - 2024



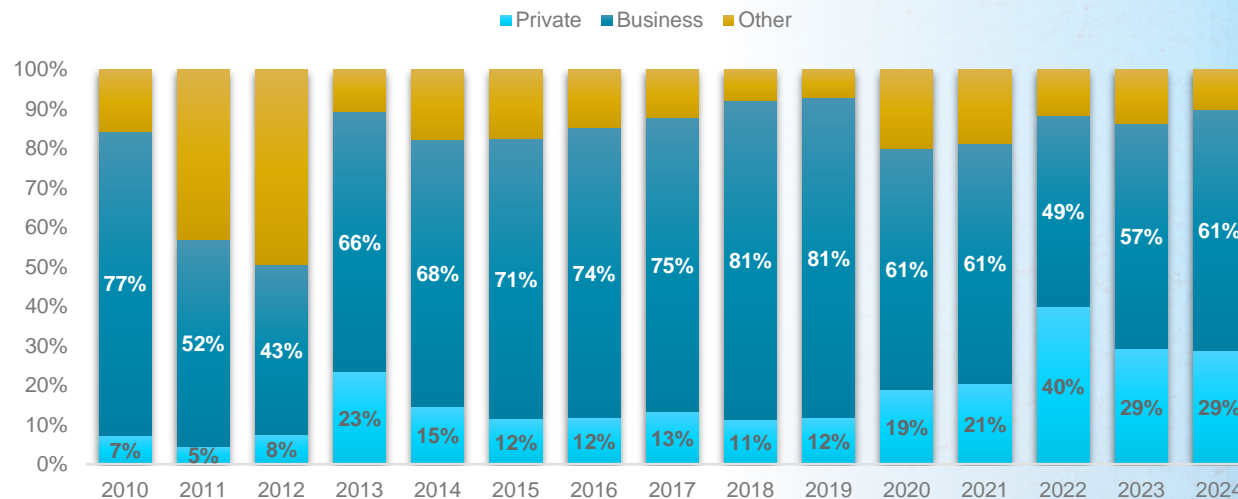
Annual sales of full electric passenger cars
2010 - 2024



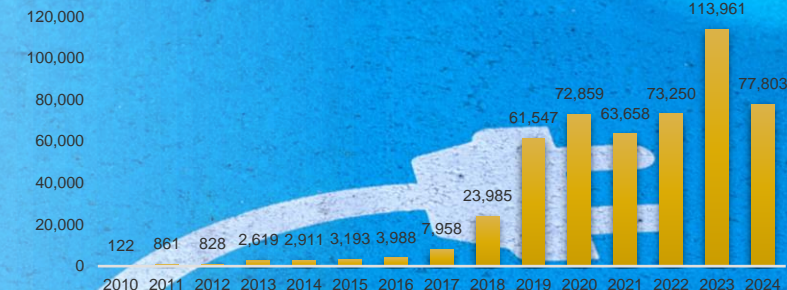
EXPERIENCES SO FAR

- Sales heavily dependent on tax incentives
- Electric car market is mainly a business market as yet
- Sustainability effect plays a role for (large) companies, less so for private consumers

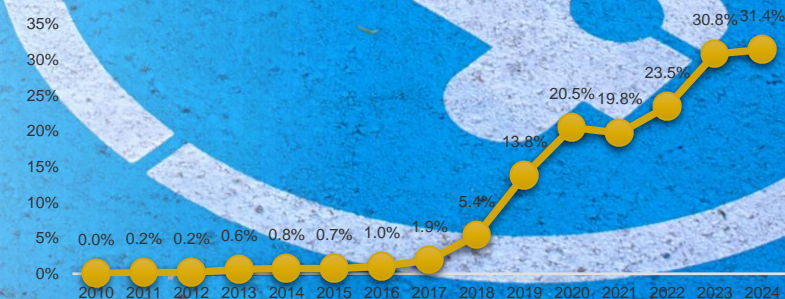
Market shares in sale of full electric cars: business vs private
2010 - 2024



Annual sales of full electric passenger cars
2010 - 2024



Market share full electric passenger cars in new sales
2010 - 2024



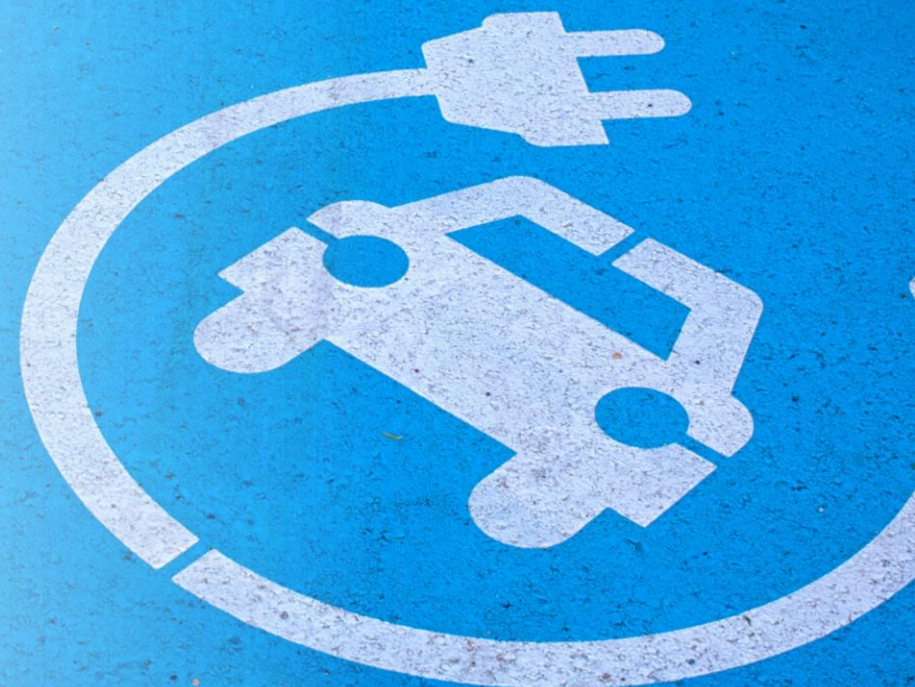
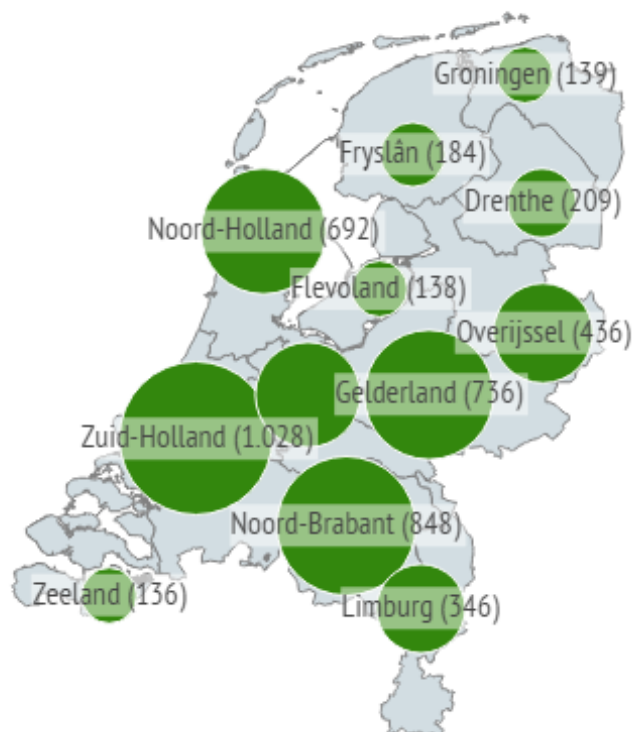
EXPERIENCES SO FAR

- Netherlands has extensive charging network, range anxiety is no longer an issue

number of regular chargers per province



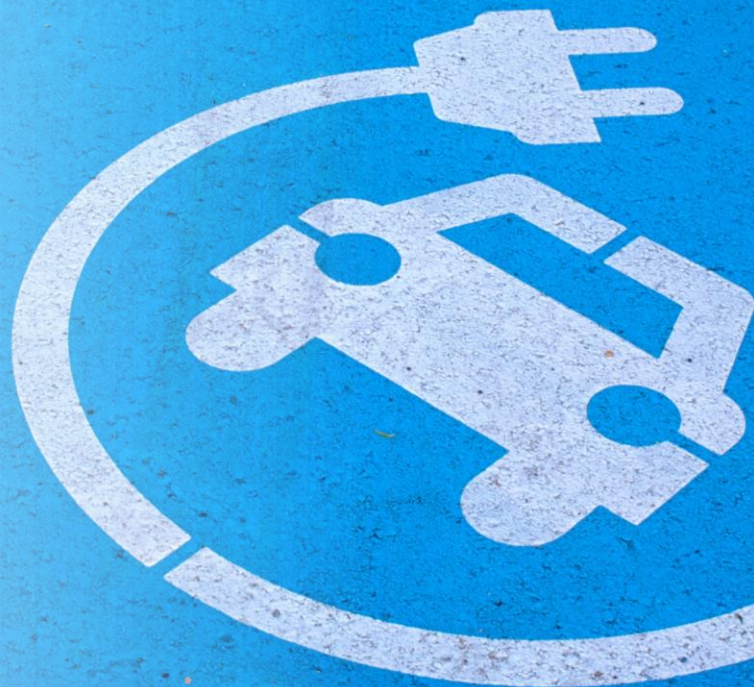
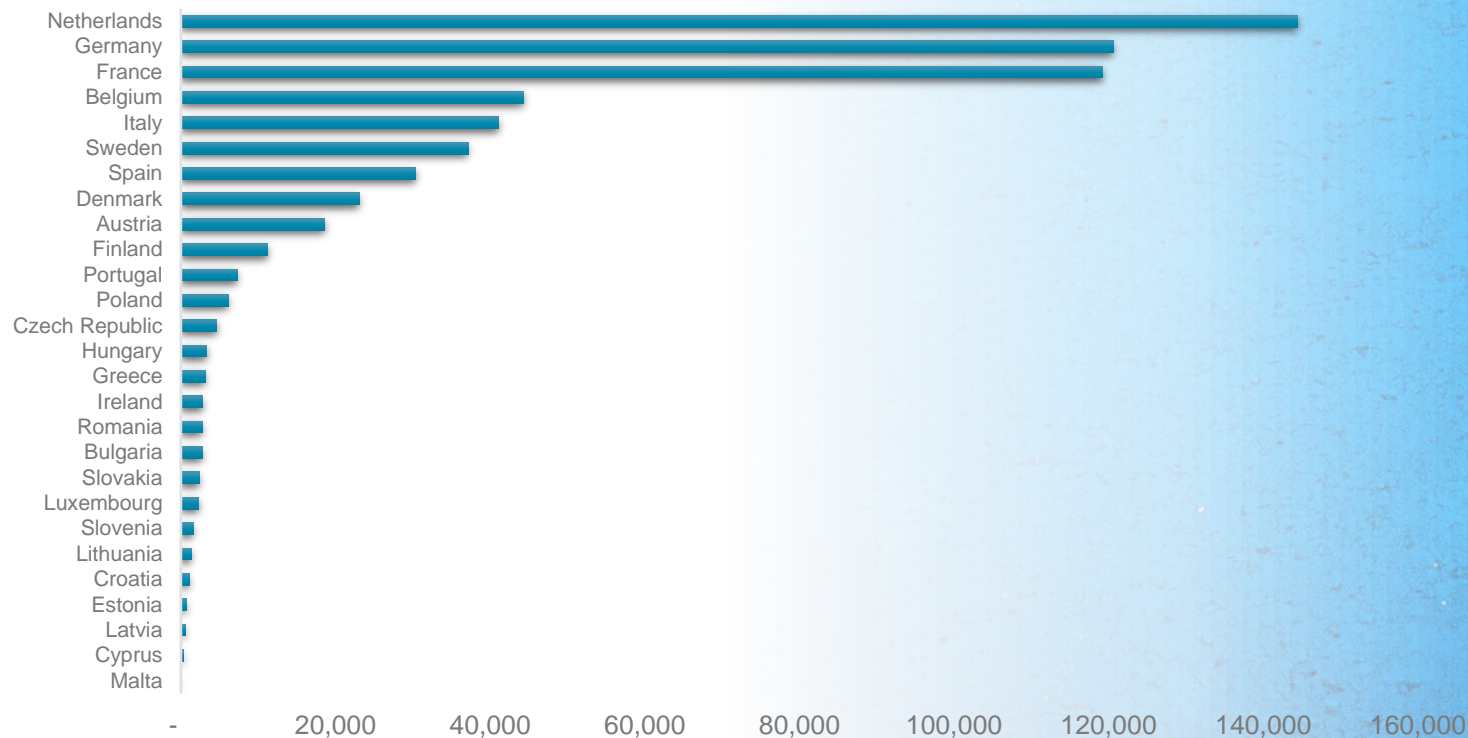
number of fast chargers per province



EXPERIENCES SO FAR

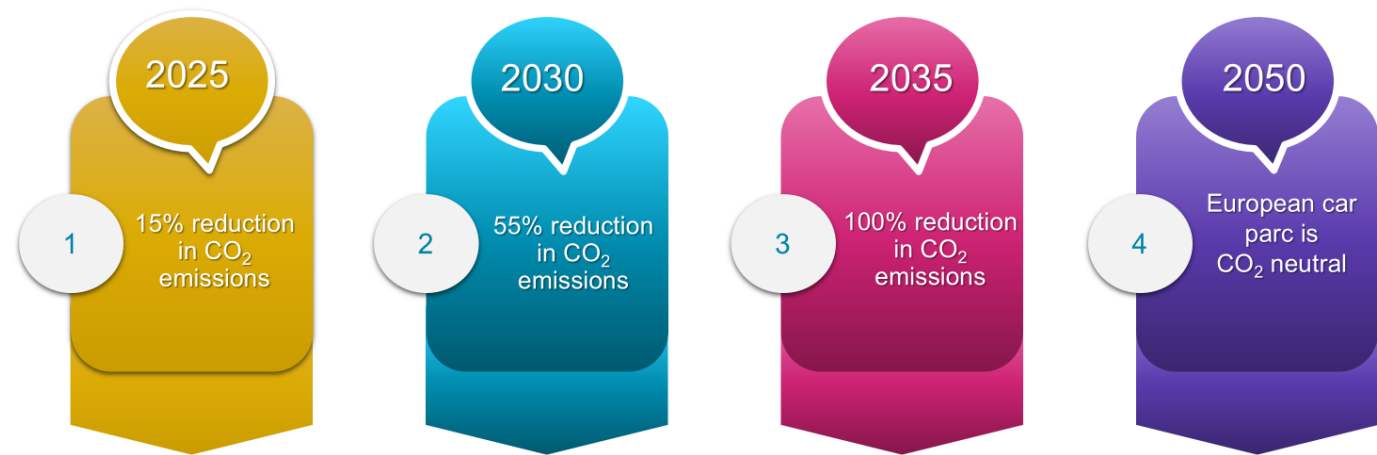
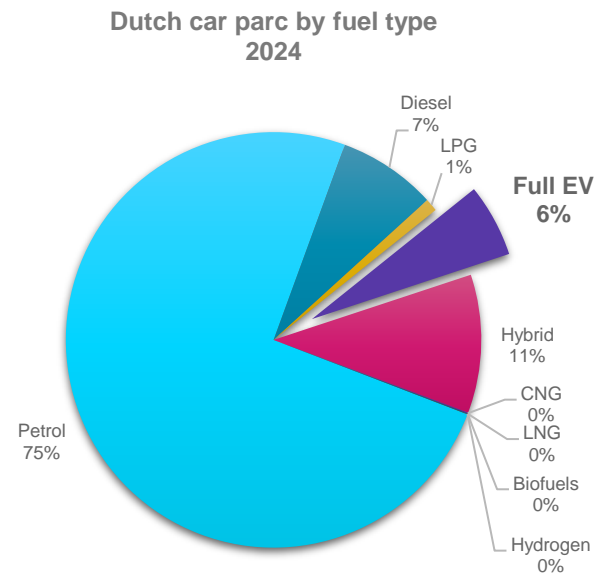
- Netherlands has extensive charging network, range anxiety is no longer an issue

Electric charging points EU
2023



EXPERIENCES SO FAR

- Still a long way to go



CHALLENGES

A photograph of an automotive assembly line. In the foreground, a silver car chassis is being worked on by a large orange robotic arm. The arm is holding a complex assembly of wires and electronic components. In the background, other car chassis are visible on the assembly line, and another robotic arm is working on a car. The scene is industrial and brightly lit.

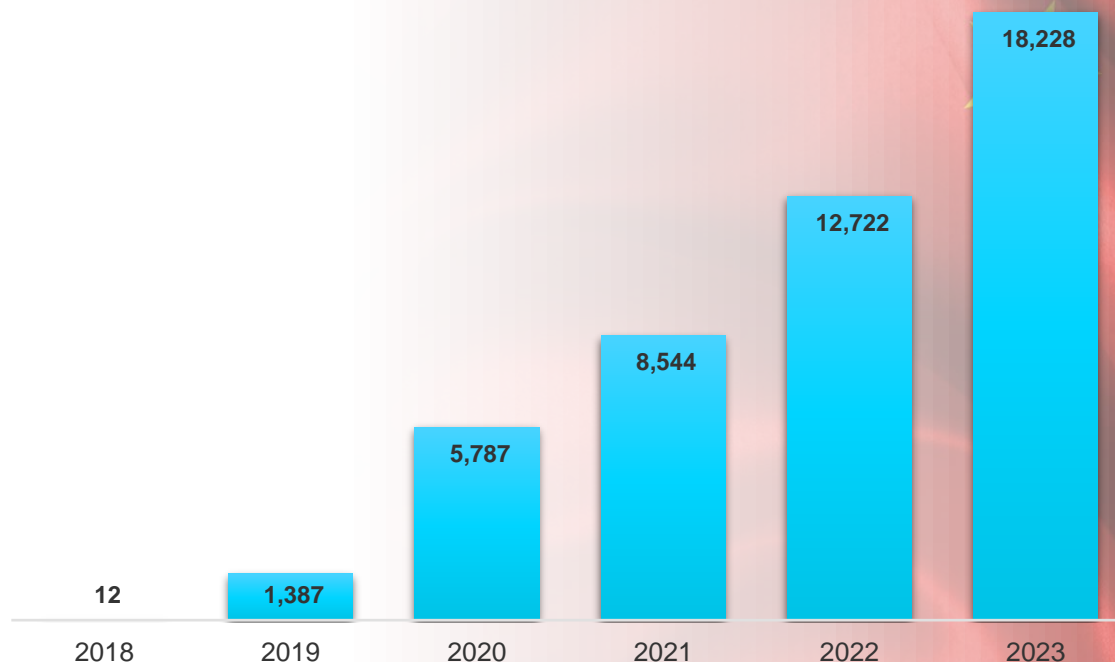
Chinese electric cars entering the European market

CHINESE ELECTRIC CARS

2024: Active Chinese brands on the Dutch market

1. Aiways
2. BYD
3. Genesis
4. Honqi
5. JAC
6. Lotus
7. Link & Co
8. Lucid
9. MG
10. Nio
11. Omoda
12. Polestar
13. Seres
14. Smart
15. Xpeng
16. Voyah
17. Zeekr

Sales of Chinese brands on Dutch car market



CHINESE ELECTRIC CARS

Possible impact of Chinese car brands on the Dutch car market

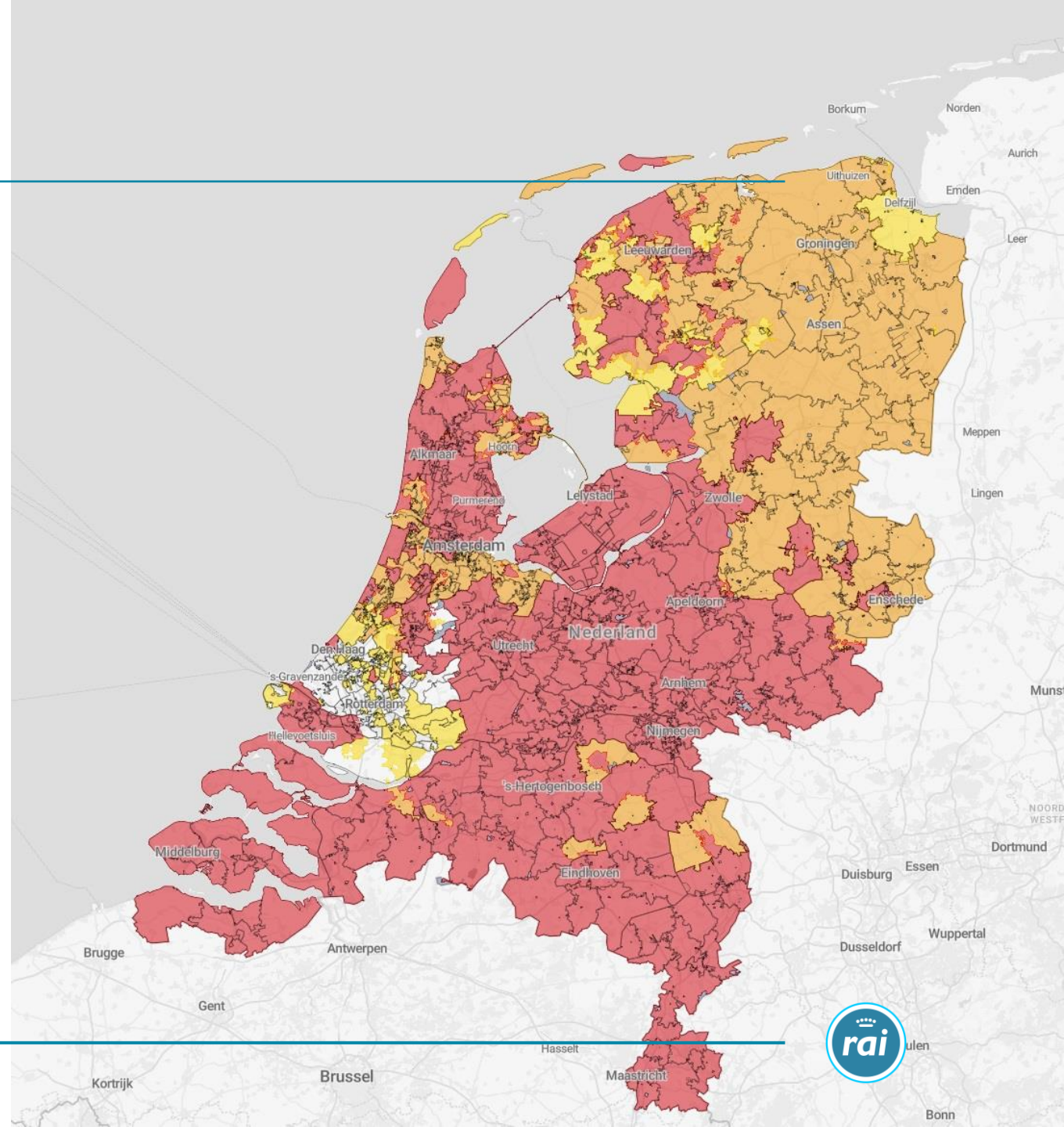
- **Consumers have greater choice**
- **Price pressure and competition**
Chinese car brands often offer cars at lower prices, which will intensify price-level competition in the Netherlands and potentially put pressure on established brands
- **Direct sales models**
Many Chinese car brands use direct sales models or online sales, which bypass the traditional car dealer. This could lead to a decline in the role of the traditional dealership
- **New relationships in aftermarket**
Chinese brands may choose to set up their own maintenance and service centres or enter into partnerships with independent franchise formulas for maintenance and repair.

The Power Grid



THE POWER GRID

- The current power grid is at the limits of its capacity
- Large investments are needed to cope with future electricity demand
- Not all households can be provided with their own charging station
- Smart charging can offer a solution





Automotive fiscal policies

AUTOMOTIVE FISCAL POLICIES

- 2012 – 2017: Electric cars are breakthrough technology. Extensive tax incentives for the purchase of electric cars
- 2017 – 2025: Gradual phasing out of tax incentives for electric cars, but still cheaper than ICE cars
- 2026: Electric cars have become 'mainstream technology', tax incentives are considered no longer necessary

AUTOMOTIVE FISCAL POLICIES

- RAI Association urges continuation of tax incentives for electric cars
- We are already seeing stagnation in electric car sales
- Consumers prefer to opt for (plug-in) hybrids.
- Alternative tax plan drawn up for the period 2026 - 2029 aimed at achieving **a)** climate targets while **b)** keeping mobility affordable for all income groups and **c)** keeping automotive taxes largely at the same level



A person wearing an orange jumpsuit is working on a car engine. A laptop is open on the engine, and the person's hands are on the keyboard. The background is blurred, showing a car's interior and exterior. A semi-transparent white box is overlaid on the left side of the image, containing the word "Aftermarket" in blue text.

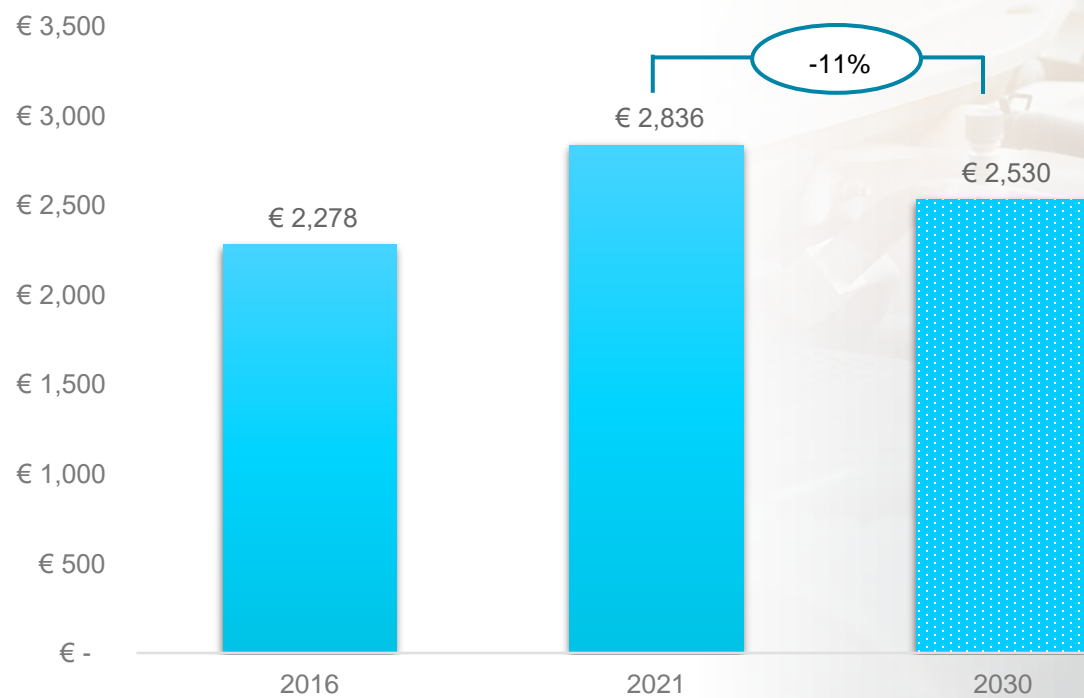
Aftermarket

AFTERMARKET

- Car repair and maintenance still biggest source of revenue for car dealerships today
- The growth of electric cars is likely to have a major impact on the maintenance and repair market.
- Electric vehicles contain fewer wear parts and require less maintenance due to the electric drive.
- It is estimated that the maintenance and repair market will have declined by over 10 per cent by 2030.

AFTERMARKET

Turnover development of the Dutch aftermarket
(in millions euro's)



Source: KPMG

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- Electric vehicles contain fewer wear parts and require less maintenance due to the electric drive.
- It is estimated that the maintenance and repair market will have declined by over 10 per cent by 2030.
- Maintaining electric cars requires different (electrical engineering) knowledge and skills from mechanics.

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Key Takeaways

- 1. Dependence on tax benefits**
Sales of electric cars in the Netherlands are heavily dependent on tax benefits, such as exemption from road tax and purchase tax, as well as subsidy schemes.
- 2. Business market dominates**
The electric car market is currently dominated mainly by business customers. Private consumers still hesitant to buy an electric car.
- 3. Extensive charging network**
The Netherlands has an extensive network of charging points, making 'range anxiety' hardly an issue anymore. However, the power grid in the Netherlands is at its limit. Significant investments are needed to cover future electricity demand for electric cars.
- 4. Impact of Chinese brands**
The emergence of Chinese car brands on the Dutch market may lead to more price competition and changes in the sales model
- 5. Aftermarket**
Electric cars will have a significant impact on the size and shape of the market for the maintenance and repair of cars

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