

Light rail vehicles are trending worldwide: 8% annual growth expected for new procurements until 2023

New study on the market for light rail vehicles

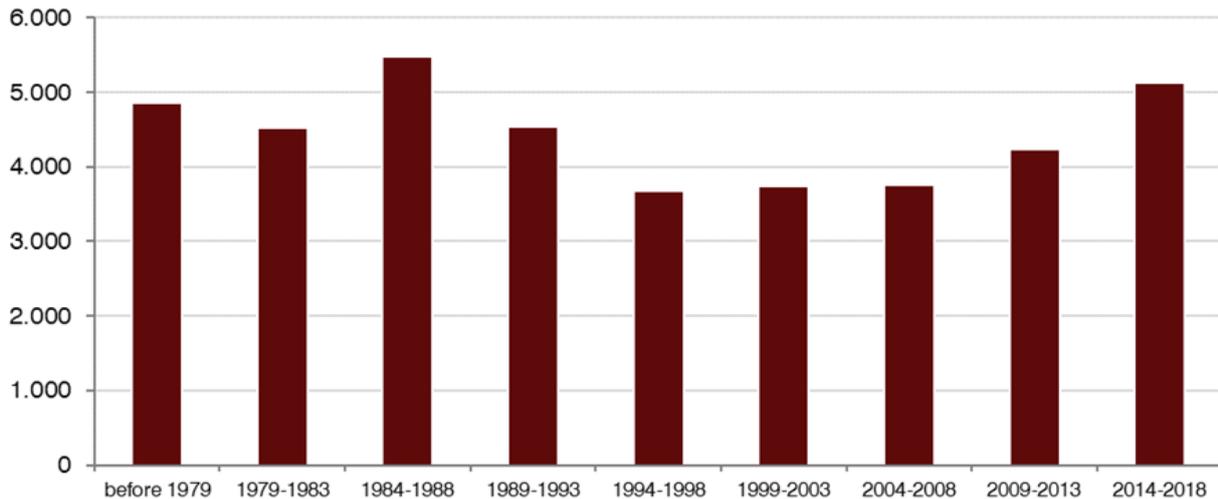
[07.11.2019] In the new market study "Light Rail Vehicles - Global Market Trends", SCI Verkehr analysed the light rail vehicles (LRV) segment in detail. A key result of this study: dynamic growth of 8% per annum in the OEM market is expected over the next five years. The key driver for this is the increasing number of cities that have to replace their old vehicles or opt for the construction of a new light rail transit (LRT) infrastructure. Asia, North America and Western Europe account for the lion's share of this growth. Over the next few years, Western Europe will increasingly invest in replacement purchases for old vehicles and in new tram-train systems. China is steadily expanding its systems in its cities, and cities in the USA are increasingly investing in new infrastructure.

Metropolitan areas require an efficient public transportation system in order to remain attractive. An LRT system, which is mostly above ground, offers less transport capacity than a metro, but is clearly superior to it in terms of investment and operating costs. Many cities are therefore examining to what extent the more cost-effective LRT system is sufficient for them.

The greatest growth potential for the light rail market is to be found in countries with stable economic resources where no LRT system currently exists. This is typically the case in China or the USA. In the current study, SCI Verkehr presents three scenarios for the future development of the new LRT networks. In the baseline scenario, SCI Verkehr expects that approximately 3,500 additional route-km will be operational by 2030.

More than 5,000 LRVs have been delivered in the last five years, far more than in previous years. SCI Verkehr expects a further increase, as the attractiveness of the cities depends largely on the quality and efficiency of their public transport systems. Climate protection aspects as well as bans on private cars in the cities are massively driving this development forward.

Age structure LRV [Number of units]
World market



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The current global market volume for new vehicles is around EUR 2.6 billion per year. For maintenance and after-sales, around EUR 3 billion p.a. will be added. Bombardier continues to lead new vehicle deliveries worldwide, but has lost market share to medium-sized, local companies in previous years. Due to the strong demand in China, the Chinese rolling stock group CRRC has achieved second place for the first time.

In the market study "Light Rail Vehicles - Global Market Trends", SCI Verkehr analyses the global market for the procurement and after-sales business of light rail vehicles. The results are based on an analysis of current fleets in terms of operating modes, age structures and procurement projects. Municipal operators and new infrastructure development and modernization projects are also included. The study also includes forecasts on the market volume of new vehicles, after-sales business and the development of light rail networks. It provides information on the market shares of the most important manufacturers and their products.

As of now, the MultiClient study „[Light Rail Vehicles - Global Market Trends 2019](#)“ is available (in English) from SCI Verkehr GmbH (www.sci.de). Also get informed regarding our latest offer in form of the [data annex in excel format](#) which is available since 2017 for all of our published studies.

The logo for SCI/Verkehr, featuring the letters 'SCI' in a large, bold, red font, followed by a forward slash and the word 'Verkehr' in a smaller, black font.

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