

CNG Vehicles Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> ****Industry:**** Commercial Vehicles & Fleet (Automotive & Transportation)
> ****Source:**** https://www.mordorintelligence.com/industry-reports/cng-vehicles-market
> ****Scraped Date:**** 2026-09-17

Executive Market Summary

Market Metric	Details
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Base Market Size	USD 55.25 billion
Projected Forecast (2031)	USD 55.25 billion
Growth Rate (CAGR)	5.68 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

![Major players in CNG Vehicles industry](images/chart_2.png)

![CNG Vehicles Market Size](images/chart_3.png)

![CNG Vehicles Market Share by Vehicle Type, 2025](images/chart_4.png)

![CNG Vehicles Market Share by End-use Application, 2025](images/chart_5.png)

![CNG Vehicles Market Growth Rate by Region](images/chart_6.png)

![CNG Vehicles Market Concentration](images/chart_7.png)

![Icon](images/chart_8.png)

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![GPTW](images/chart_19.png)

Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period
|

2019 - 2031
|

Market Size (2026)
|

USD 55.25 Billion
|

Market Size (2031)
|

USD 72.82 Billion
|

Growth Rate (2026 - 2031)
|

5.68 %
|

Fastest Growing Market
|

Middle East and Africa
|

Largest Market
|

Asia Pacific
|

Market Concentration
|

Medium
|

Major Players

*Disclaimer: Major Players sorted in no particular order

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Market Overview

CNG Vehicles Market Analysis by Mordor Intelligence

The CNG vehicles market size was valued at USD 52.28 billion in 2025 and is est

imated at USD 55.25 billion in 2026, and is projected to reach USD 72.82 billion by 2031, at a CAGR of 5.68% during the forecast period (2026–2031). Robust policy support, widening fuel price differentials compared to gasoline and diesel, and increasing availability of factory-fitted models support near-term growth. Weight-saving composite cylinders, hydrogen-ready engines, and biomethane blending programs enhance the technology's long-term relevance, enabling fleets to adapt to future fuel policy changes. Private logistics operators, public transport agencies, and ride-hailing aggregators drive station roll-outs, while OEM warranty extensions address residual-value risks. Commercial operators are adopting real-time telematics to quantify maintenance savings, expediting data-driven decisions. However, the global CNG shortage poses challenges, potentially impacting supply chains and adoption rates, particularly in regions heavily reliant on imports.

Key Report Takeaways

- * By vehicle type, passenger cars led with a 64.48% share in the CNG vehicle market in 2025, while buses and coaches are projected to expand at a 9.14% CAGR during the forecast period (2026–2031).
- * By sales channel, OEM-fitted models captured a 75.74% share in the CNG vehicle market in 2025; retrofitted vehicles are set to grow at an 8.21% CAGR during the forecast period (2026–2031).
- * By end-use application, private use accounted for a 47.08% share in the CNG vehicle market in 2025, whereas public transit fleets are poised for a 9.37% CAGR during the forecast period (2026–2031).
- * By cylinder type, Type I held the largest 38.89% share in the CNG vehicle market in 2025. However, Type IV will register the fastest 11.62% CAGR during the forecast period (2026–2031).
- * By geography, Asia-Pacific commanded a 55.27% share in the CNG vehicle market in 2025, while the Middle East and Africa region is expected to post the highest 7.28% CAGR during the forecast period (2026–2031).

Key Market Trends

Market Trends and Insights

Drivers Impact Analysis of CNG Vehicles Market*

Driver |
(~) % Impact on CAGR Forecast |
Geographic Relevance |
Impact Timeline |

Lower Total Cost-of-Ownership

|

+1.8%
|

Global, with strongest impact in APAC and MEA

Medium term (2-4 years)

Tail-Pipe Emission Regulations

|

+1.5%

Europe, North America, India

Short term (≤ 2 years)

CNG Refueling Infrastructure

|

+1.2%
|

Global, concentrated in urban corridors
|

Long term (≥ 4 years)
|

Bio-CNG Blending Targets

|

+0.9%
|

Europe, California, early adoption in APAC
|

Medium term (2-4 years)
|

Fleet-Wide Telematics

|

+0.8%
|

North America, Europe, urban APAC
|

Short term (≤ 2 years)

Hydrogen-Ready CNG Engine

|

+0.6%

Europe, Japan, pilot programs globally

Long term (≥ 4 years)

Competitive Landscape

Competitive Landscape

The global market is fragmented, with key players such as Suzuki, Hyundai, Ford Motor Company, Tata Motors, and several Chinese OEMs sharing leadership. This structure prevents any single company from dominating pricing or technology roadmaps, encouraging innovation in powertrain and storage subsystems. Regional specialists establish niches in lightweight cylinders, high-pressure injectors, and turnkey station packages. Manageable capital requirements allow start-ups to enter the market, focusing on hydrogen-ready conversions and telematics add-ons. This creates a competitive environment that values agility over production scale.

Partnerships are critical for differentiation. For instance, the collaboration between Westport and Volvo on HPDI shows how component innovators use OEM scale to accelerate commercialization. Cylinder suppliers like Hexagon Composites integrate lightweight tanks with telematics gateways, shifting competition toward data analytics. Energy companies invest in station networks, aligning fuel sales with vehicle demand. These collaborations reduce development timelines and distribute risk, enabling mid-tier brands to launch globally compliant CNG models.

Regional policy differences drive varied strategies. In India, Suzuki and Tata focus on price-sensitive passenger cars, while in Europe, Iveco and Daimler Truck target long-haul and municipal fleets, leveraging biomethane for near-zero carbon claims. Chinese brands use domestic policies to export CNG buses to Africa and Latin America, increasing price competitiveness. As hydrogen-ready engines advance, OEMs are developing modular powertrain bays for multiple gaseous fuels, ensuring asset value retention. This approach blurs segment boundaries and emphasizes software integration as a key competitive area.

CNG Vehicles Industry Leaders

*

Suzuki Motor Corporation

*

Hyundai Motor Company

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Tata Motors Limited

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AB Volvo Group

*

Ford Motor Company

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*Disclaimer: Major Players sorted in no particular order

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Component Component 3 Scope Of The Report Bottom

Global CNG Vehicles Market Report Scope

The scope of the report includes vehicle type, sales channel, end-use application, cylinder type, and geography. By vehicle type, the market is segmented into passenger cars, light commercial vehicles, buses and coaches, medium- and heavy-duty trucks, and two- and three-wheelers. By sales channel, the market is segmented into OEM-fitted and retrofitted/after-market. By end-use application, the market is segmented into private/personal use, taxi and ride-hailing fleets, public transit authorities, and industrial and utility fleets. By cylinder type, the market is segmented into Type I (all-metal), Type II (metal hoop-wrapped), Type III (full composite), and Type IV (polymer-liner composite). By geography, the market is segmented into North America, South America, Europe, Asia-Pacific, and the Middle East and Africa. The Market Forecasts are Provided in Terms of Value (USD) and Volume (Units).

By Vehicle Type

Passenger Cars
|

Light Commercial Vehicles
|

Buses and Coaches

|

Trucks (Medium and Heavy-Duty)

|

Two and Three-Wheelers

|

Segmentation Accordion Item

By Geography

North America

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United States

|

|

Canada

|

|

Rest of North America
|

South America
|

Brazil
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Argentina
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Colombia
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Rest of South America
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Europe
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Germany
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United Kingdom
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France
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Italy
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Spain
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Russia
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Rest of Europe
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Asia-Pacific
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China
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India
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Japan

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South Korea

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Indonesia

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Thailand

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Rest of Asia-Pacific

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Middle East and Africa

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Turkey

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Saudi Arabia

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United Arab Emirates

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Qatar
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South Africa
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Nigeria
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Egypt
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Kenya
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Rest of Middle East and Africa

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Frequently Asked Questions

How fast is the CNG vehicle market expected to grow through 2031?

It is forecast to expand at a 5.68% CAGR, taking value from USD 55.25 billion in 2026 to USD 72.82 billion by 2031.

Which region currently leads in CNG vehicle adoption?

Asia-Pacific holds 55.27% of 2025 revenue, thanks to India's and China's infrastructure and policy support.

What segment is growing the quickest inside the CNG vehicle space?

Buses and coaches register the fastest 9.14% CAGR as transit agencies seek immediate emission cuts.

How does biomethane influence the outlook for CNG vehicles?

EU and California blending mandates turn CNG fleets into near-zero-carbon assets, extending technology relevance beyond a transition role.

What strategic moves are leading companies making?

Partnerships like Westport-Volvo for HPDI engines and Landi Technologies-American CNG for integrated RNG offerings exemplify technology-driven collaboration.