



E-MOBILITY

Accelerating uptake of electric mobility in Kenya

The government, through the Ministry of Trade and Industry, has made strides towards promoting E-mobility by, for example, reducing the excise duty rate applicable to EVs to 10 percent. The Kenya Bureau of Standards (KEBS) has developed and adopted standards that apply to EVs imported into the country. The standards developed cover, inter alia, specifications and testing procedures for safety aspects as well as performance and power consumption elements.

In March 2022, the Kenya National Chamber of Commerce and Industry (KNCCI)- Nairobi Chapter, was invited for public participation and submission of Budget ideas/suggestions to the Cabinet Secretary, National Treasury and Planning for consideration in the FY 2022/2023 Budget Statement. The chamber proceeded to submit a memorandum to the government, highlighting the various fiscal and non-fiscal measures aimed at promoting the adoption of E-mobility in Kenya.

The fiscal measures proposed will mitigate against the current tax

structure for EVs, which makes the cost of acquisition of EVs very high. Such measures should include a reduction in import duty, excise duty and VAT aimed at reducing the unit cost of EVs.

Opportunities for the next administration While the excise duty applicable to EVs has been reduced to 10 percent, there are significant shortfalls that mitigate against the incentivisation of investment in manufacture and importation of EVs, and government should consider the following:

- 1. 100% exemption on customs duties and excise duties on the importation of Lithium ion batteries applicable on all electric vehicles (EVs) and charging infrastructure.**
- 2. Offer special incentives for the domestic manufacture of EVs to spur local jobs creation e.g 5-10 percent corporate tax break / holiday.**
- 3. Develop framework that deals with creation of charging stations and infrastructure across the country.**

In addition, non-fiscal measures were proposed to ensure a smooth transition into E-Mobility. The proposed measures cover, inter alia, consumer awareness, skills development and capacity building, an efficient licensing system for EVs, deployment of E-mobility charging infrastructure to all parts of the country, development of standards for the sector and putting in place measures to ensure the overall safety of the E-mobility transport system.

The adoption of the proposed measures will spur growth of the E-Mobility sector; improving the livelihoods of the Kenyan citizens through the social impact to be realised and attaining the Sustainable Development Goal (SDG) 9 on industry, innovation and infrastructure and SDG 13 on climate change action. These measures will greatly contribute to the attainment of the Big Four Agenda and the Vision 2030.

During the COP26, the United Nations Climate Change Conference, the conversation about net zero targets, zero-emission vehicles, and the "right"



Standing L-R: Alice Mungai, KNCCI Director, Alexander Korner-Programme Officer-UNEP, Julius Opio-Chairman, KNCCI-Nairobi County and KNCCI Directors Mr. Kibe Ngunje, Charles Gitau and Jesse Muray. Seated L-R: Carole Ofafa, Founder, E-Safari, Wangui Mwaniki, Counsel, Anjwarwalla & Khanna, and Caroline Karangi, KNCCI Director.

way to decarbonise transport saw Kenya commit to reduce its carbon emissions by signing the Glasgow Climate Pact and agreeing the Paris Rulebook. At the heart of this talk is the move from cars with internal combustion engines (ICEs) to EVs. KNCCI-Nairobi Chapter therefore wishes to call for a comprehensive approach by the respective stakeholders to upscale EV uptake in Kenya. Presently, investments in EV technology are on the rise as the potential for growth of the industry remains immeasurable.

In recent months, KNCCI-Nairobi Chapter has upscaled its effort to advance the E-Mobility agenda in

Kenya and enhance uptake of EV's by the Kenyan populace. If Kenya is to accelerate the E-Mobility uptake, streamlining sectoral coordination is necessary to advance the sector.

It is important to note that Kenya will need to move quickly as its neighbours have already implemented a regime that is conducive for the importation and manufacture of EVs. Competition for foreign direct investment (FDI) destination in the EV space will therefore be a key issue in the next decade and Kenya will need to move quickly if it intends to be a leader in this space.

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Providing innovative and sustainable mobility solutions



Electric-powered buses and construction of pedestrian walkways are key to easing the traffic snarl-ups in Nairobi and reducing environmental pollution.

Nairobi, the commercial hub of the Eastern and Central Africa has over the years been choking amid a surge in motorized transport that additionally costs the city economy millions of shillings due to traffic snarl-ups.

The German Development Corporation

(GIZ) estimates that Kenya losses up to \$1 billion annually due to the snarl-ups, backing the need to adopt e-mobility to ease traffic and construct walkways for non-motorized transport.

E-mobility start-ups have set shop in the capital in a bid to deepen the use of electric-powered transport, slowly turning Nairobi into continental hub for electric vehicles (EVs).

"Implementing an efficient Bus Rapid Transit system (BRT) along the 5 gazetted corridors within the Nairobi Metropolitan Area (NMA) under NaMATA is the core solution to improve mobility. The buses will be powered by renewable energy," GIZ says.

Some of the start-ups leading the shift to e-mobility include BasiGo, Kiri and Opibus. Ride-hailing company NopeaRide runs a fleet of fully electric cars in the capital Nairobi.

Local electric vehicle start-up BasiGo has

since March been piloting electric buses on two city routes in anticipation of increased demand for the environmentally friendly transport.

The firm says it will add at least 20 similar buses in the city before end of the year at the back of the positive piloting runs undertaken in partnership with two city transport firms.

The firms are backing their push on Kenya's position as a global leader in renewable energy, wide penetration of technology and the government's push for electric vehicles through friendly policies.

The government through Kenya Power and Kenya Generating Company (KenGen) has boosted the shift to EV in what will spur faster adoption of clean mobility.

Kenya Power has disclosed it has electricity to charge 50, 000 buses and two million motorcycles during off-peak hours while KenGen is planning to ship an undisclosed number of e-buses.



Embrace EVs to address Climate Change

TotalEnergies Marketing Kenya PLC understands that road transportation offers more options for the adoption of no-carbon forms of energy than any other form of mobility. That is why we support the adoption of clean energy as a response to the climate change challenge. Our strategy is now focused on e-mobility solutions such as electric vehicles (EVs) which offer a climate-centric solution to global warming.

We are therefore deliberately investing in strategic partnerships to support the transition to clean energy. That is why we commend and support the efforts of the Kenya National Chamber of Commerce and Industry towards the adoption of electric vehicles.

We have also partnered with Ampersand, Africa's first integrated electric motorcycle and transport energy solution provider to deploy charging infrastructure within our service stations. Already, three TotalEnergies stations in Nairobi now host battery charging stations facilities for electric motorcycles. We are subsequently scaling this up across our network to make clean, affordable, and reliable energy powered by electricity more accessible to more customers.

The benefits of EVs are numerous:

- Cleaner environment
- Reduced noise pollution
- Lower running cost
- Better driving experience

Solar power

TotalEnergies Marketing Kenya PLC provides affordable solar lanterns to our customers under the banner Beba Stima Bila Bills aimed at addressing lighting needs of Kenyans. They are available at all our service stations.

Solarised service stations

We have equipped 141 of our service stations with solar panels, making them more independent of the national power grid hence reducing our retail network's carbon emissions. This demonstrates both our know-how and expertise in renewable energies as well as our commitment to leading the way towards the adoption of clean energy solutions.

TotalEnergies Marketing Kenya Plc lauds the efforts of the Kenya National Chamber of Commerce and Industry in advancing the EVs agenda in Kenya as a way of addressing climate change.

**Together we can secure our planet for posterity.
Let us act now!**

