

## Plugging into a low-emissions future

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The debate about the feasibility and future of electric vehicles in global markets and SA rages on.

Image source: www.bmw.co.za

Critics are sceptical about the longevity of the technology and how electric vehicles will fare in the pre-owned market - whether they will be more accessible five years from now or will still be out of reach for the average buyer.

No matter how you slice it, electric cars (including hydrogen and compressed gas-powered ones) are an integral part of the future as manufacturers look towards alternative energy to power their vehicles, while reducing emissions.

In the local context, BMW and Nissan have their advocates in the form of the i3 and Leaf respectively.

They have also signed a memorandum of understanding to provide universal charging stations in Gauteng and, more recently, Cape Town. Of course, the number of charging stations will increase relative to the number of electric vehicles on our roads.

To fast-track such developments and infrastructure in SA, a number of stakeholders have come together to address the future needs of the local electric vehicle market. *Motor News* attended the inaugural Electric Vehicle Industry Association (Evia) conference, endorsed by the Department of Trade and Industry and launched in Sandton recently.

Evia's members include, among others, BMW SA, Gridcars, Nissan SA, the South African National Energy Development Institute and Uyilo, a programme of the Technology Innovation Agency. Participants will include government departments and agencies, other electric vehicle manufacturers, as well as electricity infrastructure and smart-grid providers.

Among the keynote speakers at the event was Bert Witkamp of Avere, the European Association for Electromobility, who shared some nuggets regarding the future of electric vehicles and what other markets are doing to achieve their mandate.

About 10 states in the US, including California, have implemented a ZEV (zero emission vehicle) policy following a multistate action plan released in May 2014 that requires car makers to sell specific numbers of vehicles that run on either electricity or hydrogen by 2025.

Meanwhile in Beijing, China - which has about 5-million vehicles on the road - a policy is in place to tackle traffic congestion and air pollution by granting car licence disks to 200,000 conventionally powered new vehicles via a lottery or auction system. Conversely, you can register an alternatively powered vehicle almost immediately, an incentive to those who buy greener cars.

In addition, green cars are allowed to drive seven days a week whereas conventionally powered cars are only allowed on the road six days a week.

The Netherlands is said to have a high uptake of electric cars, which is attributed to the fact it contributes towards the country's economy and guarantees energy security for the future since there will be less dependency on oil.

## **Proposals**

Norway is leading the electric vehicle charge, with its market share showing battery-electric vehicles account for 15% of the market, while plug-in hybrids and hybrids constitute 14% and 11% respectively.

Petrol and diesel have 29% and 31% of the market share respectively, although earlier this year, the country did table proposals for a ban on the sale of all fossil-fuelled cars by 2025.

Interestingly, the VW e-Golf is the best-selling electric vehicle in that market with more than 4,300 units sold between January and November this year, followed by the Nissan Leaf at 3,700 units and the BMW i3 at 3,100 units.

In the South African context, just under 200 units of the BMW i3 have been sold since its introduction 18 months ago, which is a long way off the biggest markets. This has to do, for the greatest part, with the fact that only two battery-electric vehicles are imported into the country - the Leaf and i3 - and both are priced at more than R500,000, making them pricey for the average person.

## No incentives

The Department of Trade and Industry does not offer incentives or rebates for electric cars as these are still considered a luxury item.

However, Witkamp said the price of electric vehicles would become more accessible in the future as demand increases.

He was quick to caution, though, that the advancement in battery technology would remain incremental and would not develop quickly.

Battery technology's full potential was yet to be discovered, he said, although weight reduction and an increase in capacity were foremost for most electric car manufacturers and this would be the trend in the forthcoming years.

SA may be lagging behind other more established electric vehicle markets, but the fact that a number of stakeholders -

including the state - are creating synergies is clearly evidenced by the formation of Evia.

Source: Business Day

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