

## SAFER AND CLEANER USED VEHICLES FOR AFRICA

### Minutes of the First African Used Vehicles Importers Meeting 25 June 2021, 12.00 – 4.30 pm (EAT)

#### A- Context and introduction

The meeting was moderated by Rob de Jong, Head of Sustainable Mobility Unit, UNEP. In his introductory remarks, he gave an overview of key issues in the importation of used vehicles in Africa as follows:

- The world now has about 1.2 billion vehicles, which are expected to double by 2050, up to 2.5 billion vehicles. This growth will happen essentially in low- and middle-income countries. A large share of these vehicles to be added in the coming years are going to come from used vehicles imported from all over the world, specifically developed countries/regions: Japan, Europe, United States of America.
- Used vehicles imports are not all bad quality, many of them are of good quality, and they contribute to sustainable mobility and sustainable development in African countries, but a large share of the used vehicles imported are of low quality, are old and polluting. Kenya and Nigeria were mentioned as countries with a large share of imported used vehicles.
- UNEP and partners have launched a programme on used vehicles that aims to set minimum standards to ensure that used vehicles imported into Africa meet minimum environmental and safety requirements, making the vehicles up to 80% cleaner and reducing road accident by up to 50%.

#### B- Used vehicles in Africa – Current status

Jane Akumu, Programme Officer of the Sustainable Mobility Unit, UNEP gave an overview of the current situation of used vehicles imported into Africa based on the work of UNEP in the region and a UNEP report on Used Vehicles flows published in October 2020.

- It is projected that the number of light duty vehicles in Africa will triple in the next two decades and the oil demand double in the same period. In most of the African countries, the growth rate of new vehicle registrations is high - over 10 % annually, comprising mostly of used vehicles.
- For example, 97% of the new vehicle registrations in Tanzania are used vehicles, which is the same in almost all the African countries, with only four countries not allowing the import of used vehicles. Used vehicles hence play a critical role in meeting mobility needs in the region.
- UNEP's used vehicles report looked at used vehicles flows and the regulatory environment in the recipient countries. About 14 million vehicles were exported from the three largest markets: Europe, Japan and USA between 2015 to 2018, and the largest share was imported into Africa.
- UNEP is advocating for the EURO 4 vehicle emission standards and above, a target that has been agreed with partners. Today, only two African countries have implemented a EURO 4 equivalent standards: Morocco and Rwanda.
- Poor-quality used vehicles are one of the reasons many African cities are facing rising urban air pollution and high road accidents and fatalities.
- Many African countries prefer an age-based regulation for used vehicles management, as it is easier to implement, but this again is less stringent in many countries hence fails to ensure import of quality used vehicles.
- UNEP's study found that 40 African countries have a weak regulatory framework.
- However, with most African countries adopting cleaner fuels, there is need to incorporate cleaner vehicle technologies.
- In summary, there is a need for regulations and incentives to support cleaner used vehicles importation, regular inspections to ensure that used vehicles maintain their emissions and safety limits, and regional harmonization of standard, policies and strategies.

## C- Keynote speech

Jean Todt, the United Nations Secretary General Special Envoy for Road Safety and President of Federation Internationale de l'Automobile (FIA), made the keynote speech and highlighted the following:

- The UNRSF Safer and Cleaner Used Vehicles Project for Africa partners UNEP, UNECE, CITA, FIA and the African Union, are addressing the important issue of safer and cleaner used vehicles for Africa. Stress was made on the timeliness of this project as we are entering the second decade of action for road safety and that the global used vehicles trade becomes the focus of attention for both safety and environmental reasons.
- The UNEP report was acknowledged, as it gives a clear understanding of the used vehicles flows and regulations, including case studies such as the example of Kenya where the fleet is doubling every eight years, and much of this growth is coming from the import of used vehicles. The main exporters were highlighted, namely the EU and US to West Africa and Japan to East and Southern Africa.
- The Netherlands report was highlighted too, which shows that most of the used vehicles exported did not have valid roadworthiness certificates, vehicles did not meet Euro 4/IV emission standards, vehicles had an average age of 18 years. Mr. Todt stressed the urgent need to regulate the trade in used vehicles, to ensure the import of only quality used vehicles and emphasized that older used vehicles are more expensive in terms of fuel consumption, and maintenance.
- The Safer and Cleaner Used Vehicles Project for Africa aims to support African countries to develop a minimum set of requirements for the importation of used vehicles. Progress has been made by the Economic Commission of West African States (ECOWAS) on the adoption of directives to harmonize vehicles emission standard and age limits for the importation of used vehicles. The East African Community (EAC) has also made progress by drafting and presenting regulations for adoption by member states.
- Regulating used vehicles is a shared responsibility between the importers and exporters. The EU should consider introducing minimum export standards that the African Union (AU) has expressed interest to develop in Africa.
- All African sub-regions should follow ECOWAS example in developing regulations for used vehicles importation.

## D- What is Africa doing to move towards safer and cleaner used vehicles?

### ECOWAS: Harmonization of used vehicle regulations

The representative of the ECOWAS Commission, Bernard Koffi, presented the current situation on the harmonization of regulations and policies on used vehicles as follows:

- The ECOWAS countries are experiencing high vehicle growth rate. Most of the vehicles in the region have an age of 10, 20 and even 30 years old, on top of that road traffic congestion and the poor fuel quality are affect air quality.
- ECOWAS has been working with UNEP and the Central Africa region since 2009 to tackle these issues and has led to a framework agreement to improve air quality in West African countries. Based on that ECOWAS developed and adopted two directives to harmonize fuel (diesel and petrol) specifications and vehicle emission standards. The directives also include age limit of vehicles imported in the sub region.
- The directives adopted specify that: from 1 January 2021, 50 parts per million (ppm) as maximum allowable sulfur levels in imported fuels; Euro 4/IV equivalent minimum vehicle emission standards, which is linked to fuels quality; a 5-year age limit for light-duty vehicles, and 10-year limit for heavy-duty vehicles. Local refineries have been given more time to meet these specifications through the upgrade of their operations by 1 January 2025. All ECOWAS countries were given 10 years to comply with the vehicle's directives.

- This approach will allow progressive penetration of vehicles with better technologies with regards to fuels and vehicle emission standards, and to progressively introduce electric vehicles.
- Member states need capacity building for the inspection of vehicles to ensure that the specifications of the directives are fully implemented.
- The collaboration with UNEP and other partners is important for the introduction of safer and cleaner used vehicles in the ECOWAS sub-region, and to achieve the SDGs.

### EAC: progress towards used vehicle standards

Stella Apolot expressed gratitude on behalf of the EAC Secretariat to be part of this meeting and also highlighted the current progress on used vehicles in the region as follows:

- Emissions from the vehicles affect air quality, the environment, human health, and the climate. Therefore, regulating emission from transport sector is important. EAC has developed policies and regulations to address these issues.
- The harmonization of standards started in 2000, with a focus on the quality of fuels, and in 2005 the standards extended to the specifications of unleaded fuels which was adopted by all EAC member states. The standard has been revised for diesel and petrol, to reduce Sulphur levels from 500 ppm to 50 ppm – also adopted in the sub region.
- In 2008, the EAC developed a harmonized standard for roadworthiness, specifically for the mechanics aspect of the vehicles, including age limit but the standard was not adopted by member states due to different policies within the region. Hence the EAC focused on the quality of fuels by reducing further the level of sulfur, manganese, benzene, etc.
- In 2019, the harmonization of vehicle emission standards to Euro 4/IV began, Member states agreed to adopt Euro 4/IV vehicle emission standards. A good example is Rwanda, where the decision is being implemented.
- In practice, EAC is finalizing the harmonization of the vehicle emission standards by also looking at the different specification such as the engine oil, fuels, etc.
- The EAC is actively engaged in various initiatives to advocate for the implementation of the new standard.
- Capacity building within the region, in term of fuels testing and vehicle inspection, is required and EAC is looking forward to strengthening these partnerships with UNEP and other partners.

### AU: Need for cleaner, safer used vehicles for sustainability

Placide Badji from the African Union Commission expressed the Africa wide perspective to put in place regulations for safer and cleaner used vehicles. He emphasized the safety aspect in regulating used vehicles and the benefits for Africa as follows:

- Each year there are around 296,000 deaths in Africa due to road accidents and since the beginning of this decade, 6 million deaths have been registered. This leads to losses of 3 to 5% of GDP for Africa, while the continent represents only 3% of the global vehicle fleets.
- The objective of the road safety decade is to reduce by 50% the number of deaths and accidents from the road, to be achieved in 2030.
- Road safety is an important issue, especially in Africa due to injuries and death rates which are also due to bad safety characteristics of imported used vehicles such as vehicles stability, seat belt, braking systems, missing airbag system, etc.
- There are several initiatives related to the road safety, such as the Action Plan for Road Safety which started in 2011. Out of the five pillars identified, one is dedicated for safer new and used vehicles imported to Africa.

- The AUC set up a framework in collaboration with the European Union (EU) and other partners to discuss the New Decade for Road Safety, 2021-2030. Among other recommendations, the framework recognized that the issue of imported vehicles should be considered for the next decade.
- The objectives of the AU and partners is not to stop the importation of used vehicles, but to make sure that the African countries get safer and cleaner used vehicles, and the standards in place should be respected by both importing and exporting countries.
- The African Free Trade Area initiative will also facilitate the harmonization of used vehicles trade and facilitate movement of goods and people.
- The AU, with partners such as UNEP and EU, are advocating for an African wide harmonization of standards for used vehicles and it is important to look at the road safety angle of this issue.
- Capacity building should be enhanced in African countries, including for decision makers, and the goal of the work UNEP, AU and other partners are doing is to save lives.

### E- Need to regulate export of used vehicles.

#### Case study from Dutch ports

Marietta Harjono from the Netherlands Government, Human Environment and Transport Inspectorate, presented a two-year study to assess the quality of the used vehicles exported from the Netherlands and from other European countries, through the Netherlands ports destined for Africa.

- The study was a combination of a desk study and three days field inspection. That looked at the top 12 countries that are receiving the highest numbers of vehicles exported from the Netherlands ports. The study compared the data of customs together with the data from the vehicle register authority, in order to verify the quality of the vehicles.
- The study showed that the age of the vehicles being exported was high. For example, one quarter of the vehicles exported to The Gambia had an age of 20.8 years and above. In terms of emissions, the study revealed that the majority of the vehicles being exported were Euro 3 and below, even Euro 0. Morocco and Ghana are exceptions, vehicles being exporter were much younger and had at least a Euro 4 emission level as these countries have some minimum regulations in place. The study showed that countries with regulations, received quality vehicles and this proved that regulation works.
- Vehicles mileage was also high, around 200,000 and 250, 000 kilometers for light duty vehicles and over 250,000 kilometers the heavy-duty vehicles.
- At the point of shipping, many vehicles had no valid roadworthiness certificate, and some were missing important components such as batteries, catalytic converters, diesel particulate filters, etc. At the technical level, some vehicles were in reasonable state but 56% of petrol vehicles and 48% of diesel vehicles did not pass the roadworthiness test due to deficiencies and, on an average, 1 out of 8 airbags had malfunctions.
- There were similarities in terms of age, mileage, and emissions level, between vehicles scrapped in the Netherlands and vehicles being exported and inspected at the port of departure in the Netherlands. In terms of mileage, vehicles exported to African countries were slightly higher than the vehicles that end up at the scrap yards in the Netherlands.
- Several loopholes were found. An outstanding example is Libya, the national government policy does not allow vehicles older than 10 years, and most of the vehicles being exported from the Netherlands were older than 10 years. Therefore, it is important to consider that Libya may be a gateway for used vehicles into the continent, and that could be a threat to the effective implementation of the regulations, such as the ECOWAS directives.
- Joint action is important. Actions need to be taken by both importing and exporting countries. Exporting countries should agree to only export vehicles that are roadworthy and perhaps include criteria such as age limit and vehicles emissions standards. Equally, importing countries should put in place regulations, such as vehicle emission standards, especially due to the easy cross border movement of vehicles.



### Linking used vehicles export data to imports

Water Nissler, Chief of Vehicle Regulations and Transport Innovations Section of UNECE presented the data information sharing on the importation of used vehicles and made the following remarks:

- UNECE welcomed the progress achieved in ECOWAS and EAC and echoed AUC statement on the importance of road safety to save lives. It was stressed that 3% of the world vehicles fleet is in Africa while 90% of the road victims is also in Africa, cleaner and safer vehicles are thus important.
- The age of vehicles from a technical perspective is less important than the maintenance of a vehicle. High mileage is an indicator of vehicle end of life and coupled with not having a roadworthiness approval, this is a threat for road safety.
- Even new vehicles can be dangerous due to the quality of vehicles being manufactured by the automotive industry, based on the type of regulations requirements in the country of destination.
- The maintenance of a vehicle is important as well as the technical inspection. The minimum safety requirements that are being used by exporting countries are based on the United Nation specifications for exportation.
- In terms of vehicles information collection, it was proposed to have a digital international vehicle data exchange platform. This would facilitate information on vehicles that meet the minimum safety and environmental requirements, with a valid roadworthiness certificate and those that are not classified as waste.
- This platform would allow communication between the importing and exporting countries and improve the communication channels between the two partners. The platform would also include international vehicle data information through the vehicle identification number (VIN) and through various vehicle certificates existing in exporting countries: certificate of conformity, certificate of construction, the status of the vehicle, etc.
- It is important to have documentation of vehicles at the shipping port to avoid disappearance of vehicle parts, such as catalytic converters and air bags.
- This platform could be also an important tool of verification by relevant authorities at the importing port but also at the exporting side, and could be an important asset in terms of digital framework to be used by the private and public sector for information sharing.
- Similar platforms exist at international and country level. For example, the Netherlands, the European car and driving license information system, etc.
- The information exchange should follow the regulatory frameworks of export and import of used vehicles, but could also include information on new vehicles regulation.

### **F- Panel discussion and Q&A**

The moderator chaired the panel discussions and combined these with questions from participants. The panel was composed by Eduard Fernandez, Executive Director of the International Motor Vehicle Inspection Committee (CITA), Major (Rtd) John Kipchumba, Chairman of the Kenya Auto Bazaar Association, and all the previous speakers.

#### **1- Are used vehicles a government responsibility, private sector, or both?**

The representative of CITA replied that this is an issue of compliance, and this brings the concept of the authority and government's leadership. There is need to set up regulations and the enforcement schemes. At the same time, it is also the responsibility of private organizations like vehicle manufacturers and traders, that are required to follow standards and requirements.

#### **2- Will used vehicles regulations make them more expensive and less affordable for African countries?**

The moderator responded that research carried out in some African countries where regulations on used vehicles were introduced shows that these countries continue to have an increased level of good quality used vehicles importation. Kenya is an example, as an age limit for the importation of used vehicles was introduced; Morocco introduced an age limit and vehicles emission standards for used vehicles; Ghana

introduced fiscal incentives for better quality used vehicles, yet the importation of used vehicles has not dropped. In these countries people have continued to import used vehicles, but of better standard. Instead of 20-year-old vehicles, people are switching to smaller vehicles, younger, more affordable and cleaner.

### **3- Should the inspection happen at the exporting or the importing side?**

The Executive Director of CITA responded that this should take place at both sides. This is important as from the exporting country, it will be possible to avoid exporting vehicles that will not be accepted at the recipient country and to avoid the shipment of waste. From the importing side it will be easier to verify the certificate of conformity of shipped vehicles.

The recommendation is to have an inspection on the departing country in order to ensure that the vehicles that are going to be shipped can be registered in the country of destination, and a further inspection on arrival in order to check that vehicles arriving are the same as the ones shipped.

### **4- Should standards cover both used vehicles and new vehicles?**

UNEP gave the example to the ECOWAS directives and proposed EAC regulations on used vehicles that also include new vehicles.

UNECE reacted by saying that the global automotive industry is committed to produce vehicles with minimum safety and environmental standards if the countries of destination have regulations in this regard. The International Association of Vehicle Manufacturers is strongly committed to follow minimum safety standards, as soon as they are required by national legislation.

### **5- End of life, circular economy, and responsibility**

Marietta Harjono responded that between 95% and 98% of used vehicles are recycled into reusable materials in the Netherlands. However, there is still room for improvement because not all materials recycled from used vehicles are used to produce new vehicles. Emphasis was made on the importance of circular economy, and in the Netherlands, for example, people must pay a fee for the vehicles to be recycled at their end of life, but only one out of three ends up at the scrappage. In EU countries, there is common understanding on the fact that to achieve climate ambitions, the role of vehicle producers needs to be strengthened and they should also be responsible for the vehicles until their end of life. Regarding the international dimension there is a need to deep dive on the subject.

### **6- What are the exporting countries doing?**

Netherlands is one of the EU countries that takes the issue of used vehicles seriously. They have been advocating through their Minister of Environment, among other EU countries. The EU is promoting the uptake of electric mobility, while the combustion engine vehicle will be transferred to other regions. There is more work to be done on used vehicles in Europe, even if countries are starting to consider the issue, and the Netherlands is working to ensure that vehicles exported from their ports are roadworthy for the country of destination.

UNECE has started a similar discussion with the exporting countries. They organized the exporters meeting under the framework of the used vehicles programme to discuss this issue, with considerable participation from EU Commission with discussions on end-of-life vehicle legislation on-going. The UNECE objective is also to bring together exporting and importing countries to discuss, share knowledge and common understanding that would be the basis for a common agreed solution.

### **7- How do you see the opportunities for the importation of used electric vehicles?**

The Kenya Auto Bazaar Association chairman said that mainly hybrid vehicles are imported into Kenya. These vehicles are almost new, or 3 years and below. The penetration of electric vehicles is recent into the Kenyan market, but there are opportunities in the future for electric cars that are relatively cheaper with new technology in the next decade. The decision of most EU countries on banning the sale of internal combustion

engines by 2025-2030 could be an opportunity for Africa to import more electric vehicles, but also an opportunity to get safer and cleaner used vehicles.

#### 8- Importance of data for vehicle inspections

CITA's Executive Director said data is crucial as data allows to verify if the vehicles were conceived properly, and if the fitness of vehicles is correct. The best source of information is accessible from the country that registered the vehicle for the first time. This information is essential for the recipient country to decide whether to accept a vehicle, or not. The exchange of information could be through a platform that should be reliable. This is one of the recommendations of the Safer and Cleaner Used Vehicles Programme for Africa, to create a network of registration authorities, in order to ensure the reliability of the information on vehicles.

All panelist agreed that data for vehicles inspection is important and should be reliable, digitalized, and that customs authorities need to be involved.

#### 9- General comments

The Democratic Republic of Congo representative said that the Central Africa region is also concerned by the used vehicles issues and is keen to work with UNEP and other partners to address this in the subregion. He also talked about the road safety initiative which is ongoing in the region, and this could be a further opportunity to discuss used vehicles regulations.

Major John Kipchumba, from the Kenya Auto Bazaar Association, gave a brief background of the introduction of policy to regulate used vehicles importation to Kenya and stressed that although the measures were not totally welcomed, the introduction of an age limit had been beneficial for the country. He also mentioned the end-of-life circle of new and used vehicles and acknowledged that the vehicle industry was aware of the importance of circular economy in the transport sector. He suggested that vehicle manufactures should be accountable from the production of vehicles until their end of life and that the information exchange platform should also include this aspect. The social and economic power of some African countries don't allow people to purchase new vehicles. However, used vehicles are a good alternative, as mobility is important for people and for goods. Used vehicles, can be safer, and have cleaner technologies.

#### G- Closing remarks

The moderator thanked all the speakers for their presentations, and participants for their active participation and interpreters for their excellent job.

Robert Lisinge from the United Nations Economic Commission of Africa (UNECA) gave the closing remarks with a summary of all the issues presented during the meeting. Emphasis was made of the Netherlands study, as well as the progress of ECOWAS and EAC on vehicles emission standards for used and new vehicles. He spoke about the importance of regulating used vehicles importation for the benefit of the environment, road safety and climate. He concluded by thanking all the participants for the excellent contributions, and the partners of the UNRSF Safer and Cleaner Used Vehicles Project for Africa involved in advancing and advocating for better used vehicles regulations.