

MANUFACTURING AFRICA – KENYA



Manufacturing Africa aims to reduce poverty in Africa by attracting £1.2 billion of foreign direct investment into manufacturing and creating 90,000 jobs over 7 years (2019-2026). The programme is funded by the UK government through the Foreign, Commonwealth & Development Office (FCDO)



Opportunity and Investment Potential for Electric Vehicles (EVs) in Kenya

Helping To Shape Kenya's Electric Vehicle Strategy

The global EV market is rapidly growing – 80% sales in all vehicle segments are expected to be electric by 2050. This is driven by favourable EV regulations, improving economics and technology readiness. Additionally, many manufacturers will be reducing manufacturing of Internal Combustion Engine (ICE) vehicles and increasingly shifting towards EV.

Kenya will need to adapt to accommodate EV as manufacturers are already making the shift and Kenya has announced intentions to eliminate imports of all second-hand cars by 2026. There is an opportunity to support the influx of EVs over ICE vehicles in the near term.

In Kenya the B2B segment of “boda bodas” and corporate fleets comprises the vast majority (~95%) of electric motorbikes demand in Kenya, suggesting that motorbikes are the most feasible class of EV for adoption in the country.

Kenya is already a hotbed for entrepreneurs and innovators in the electric mobility space with more than 15 companies actively engaging in this space providing charging services, building charging infrastructure and assembling electric motorbikes in Kenya.



THE CHALLENGE

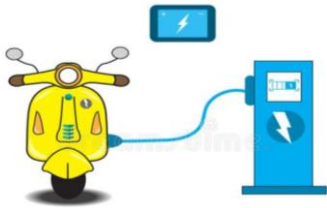
In Kenya, the greatest barrier to scale for electric motorbikes is consumer adoption, as boda boda riders have very low awareness of electric motorbikes. The main concerns relate to the upfront cost and range that the electric motorbikes can travel. Although many are excited by the idea, they need proof of economic advantage and vehicle performance to catalyse conversion.



OUR SUPPORT AND IMPACT

To help increase adoption of electric motorbikes in Kenya, Manufacturing Africa ran a pilot for boda boda riders to test the capabilities of the various electric motorbikes being assembled in Kenya with the aim of:

- providing a holistic view of the positive economics of electric motorbikes compared to their petrol engine counterparts,
- raising awareness and
- reducing concerns associated with adoption hesitation.



RUNNING AN ELECTRIC MOTORBIKE PILOT IN NAIROBI

Overview

The pilot ran for 2 weeks, from 25th of October - 5th of November 2021 in Nairobi, culminating in a launch event on 11th of November 2021 at the British High Commissioner's Residence.





The pilot involved around 40 riders, including a control group of around 20 petrol motorbike riders – all using online ride hailing / delivery platforms.

To gather data on the economics, performance and to gauge perception of electric motorbikes, riders were sent daily surveys and randomly interviewed throughout the pilot

Pilot partners included local electric motorbike assemblers (Opibus, Fika Clean Mobility, Kiri EV, Ecobodaa, Mazi Mobility and Arc Ride), a local battery swapping operator (E-Safiri) and Uber.



Objectives

-  The main objective was to test, the economics of locally assembled electric motorbikes, including how electric motorbike riders profits compare with ICE bike owners.
-  Additionally, we wanted to test performance and reliability of locally assembled electric motorbikes, including ability to handle heavy payloads and terrain, and track number and cost of breakdowns and repairs.
-  We also wanted to gauge perception of electric motorbikes from the perspective of riders and willingness to transition from ICE bikes to electric motorbikes.
-  Finally we wanted to raise awareness of the benefits of “going electric”, and reduce concerns associated with adoption hesitation (through marketing and viral videos).

Analytical outcomes

The Pilot:



Validated the economics of going electric – riders could make **35%** more, owing to savings on charging and maintenance – and showed that riders fully understand the potential cost savings of going electric.



Demonstrated that, once riders try an electric motorbike, they are highly likely to buy one as their next bike and recommend them to other riders (100% likely or very likely to buy an electric motorbike as their next vehicle).



Highlighted that electric motorbikes being made in Kenya perform as well as, if not better than, petrol motorbikes, in the opinion of the riders themselves, with **>90%** of responses saying the electric motorbikes performed as well or better than the ICE 2W on almost all dimensions and terrain.



Confirmed that riders' main concerns are upfront cost and range anxiety.

Publicity outcomes

The pilot concluded with a launch event, hosted by the British High Commissioner and attended by CS of Industry and PS of Transport was broadcast on Citizen TV news, Capital News and Kenya Broadcasting Corporation (the state owned media station). Videos curated by Manufacturing Africa were spread across multiple social media channels in Kenya and beyond.

Photos from the pilot



Photos from the launch event



Video links

Marketing video - <https://youtu.be/25IRjBdS36Y>

Viral video - <https://youtu.be/K-L0NSG69Qc>

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CONTACT US

Email: info@manufacturingafrica.org

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