



SUSTAINABLE TRANSPORT



**ITC side event on
“Used Cars for Africa”**

**“Importer Experience in
Used Car Market in Kenya”**



UNECE



Introduction

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- Africa, and Kenya in particular, has seen a steady rise in the importation of used vehicles over the years to fill the gap that local franchise holders could not meet in terms of **capacity**, **affordability**, and **quality**. In Kenya, imports of used cars account for over 85% total market share.
- In 1998, Kenya Motor Industry Association (KMIA) called on the government to restrict importation of used cars to 4 years, citing safety and air pollution concerns. Kenya Auto Bazaar Association (KABA) disagreed, proposing 12 years' age limit with inspections in the exporting country. The government and the two parties came up with KS1515-2000 (a Kenya Standard on road vehicles) with a compromised age limit of 8 years, being the average of the two positions. However, in the revised standard KS1515-2019, EURO IV/4 (*1st registration from January 2006*) was included, which prompted KMIA members to ask the government to postpone implementation to 2025, citing a lack of capacity and technology to migrate their units from Euro II/2 to EURO IV/4. Which was granted. While KABA members currently import used vehicles from 2014 and up, which are EURO V/5 and above, thus complying with the standard KS1515-2019.
- Ordinarily, KMIA members are representatives of major manufacturers who derive their vehicle standards from WP.29 and yet new vehicles supplied to Africa in this case Kenya, are of low standards, as evidenced by the Kenya franchise holder's instance of supplying vehicles of EURO II/2 standard as of last year 2021.
- Internationally, trade in used motor vehicles has taken root and is growing. The need to introduce some form of regulation is most welcome to minimize air pollution, reduce road traffic fatalities and curb crime associated with used cars, which have been classified as conduits for money laundering in Africa.

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Why Regulate?



Regulations are indispensable to the proper function of economies and societies. They create the "**rules of the game**" for citizens, businesses, governments, and civil society. They underpin markets and protect the **rights** and **safety** of citizens. In our case, therefore, regulating the motor industry in general is paramount.

The world is now a global village, and having centralized regulations will be beneficial to everyone in any nation. It will eliminate the possibility of a substandard product from being introduced into the market since everyone is subjected to the same regulations.



Types of Regulations Envisioned

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- Inspections before export.
- Annual or biannual inspections in the country of use
- Extended Producer Responsibility (EPR) (Former Producer Responsibility Organizations (PRO's) {To bring in all players in one roof})
- Circular Economy

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- **Benefits**

Quality vehicles will only be exported, and the end user will receive a quality vehicle that will be good for the environment and safe for all road users. The annual inspections will ensure that the serviceability is maintained throughout, and PRO will be responsible for its end of life. Introducing circular economy in transport will ensure that vehicle life is extended and to reduce wastage.



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Thank you!

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