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Opportunities for new value chains - Klaus Schade

Electric bikes (e-bikes) have become a common sight in Europe and encourage those who do not feel fit enough to cycle longer distances or do not want to arrive in the office or at meetings sweaty to use the bike instead of other modes of transport. Likewise, e-scooters, e-cars etc. are more and more often seen on the roads. Similarly, the network of fast charging stations for e-cars etc. is expanding in cities and towns, while individuals recharge their cars over night at home. While the costs for fast recharge stations are currently relatively high, they will become more affordable as more and more companies produce electric or hybrid vehicles (vehicles driven by fuel and batteries) and invest in more advanced batteries and recharging solutions. The announcements of a number of governments across the world to ban the sale of fuel-driven vehicles roughly within the next two decades will support investments into new transport technologies.

Namibia is well endowed with the natural resources needed to fuel the e-vehicle industry, namely renewable energy sources to charge the batteries such as solar, wind, biomass and wave power. Furthermore, Namibia produces lithium that is currently exported, which is needed for the lithium-ion batteries used among others for e-bikes and vehicles. While a private inventor who drives an e-car since quite some time and the Namibian University of Science and Technology that constructed an e-taxi have proven that Namibia has innovation capacity, more support for research, development and innovation is required to create new value chains based on our natural resources. While Government needs to provide the policy framework for the introduction of the new technology, the private sector should seize the opportunity and start investing in e-vehicles. In particular, delivery vehicles as well as public transport vehicles in towns that do not drive long distances and could be relatively easily recharged could lead the shift from combustion engines to batteries.

The move will not only exploit and add value to our own natural resources, but will reduce our dependency on fossil fuels that are completely imported and hence save valuable foreign exchange reserves. Furthermore, operational costs of vehicles become more predictable and less dependable on geopolitical factors since once an investment in a renewable energy source is made the costs of producing electricity is known for the next decades. Moreover, the shift is in line with existing ambitions such as our Growth at Home policy that promotes the creation of value chains as well as the Sustainable Development Goals that promote amongst others access to sustainable and modern energy for all (SDG 7), sustainable economic growth (SDG 8) and sustainable industrialisation and innovation (SDG 9). Close cooperation between Government and the private sector could make Namibia the leader on the African continent in forward looking, sustainable and innovative transport solutions.

Published in Business 7 – 4 July 2018

german cooperation DEUTSCHE ZUSAMMENARBEIT
Supported by giz

The EAN Business 7 contribution is compiled by EAN Research Associate Klaus Schade and is financially supported by the Government of the Federal Republic of Germany through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) The EAN Commentaries can be downloaded from www.ean.org.na.