Workshop on Regional Consultation on Vehicle Import Policy Roadmap for Clean Air, Maru Maru Hotel, Zanzibar-31st May; 2018

Title: Age Restriction and Higher Taxation for Used Vehicles: Impact and Next Steps

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Presentation Outline

• Mandate of the NEMA
• Provisions of EMCA, Cap 387. 2015
• Environmental Management Regulations
• Air Quality Standards & Guidelines
• Control of Emissions from Mobile Sources
• Challenges
• Way Forward
Mandate of NEMA

• The National Environment Management Authority (NEMA) is a government parastatal established to exercise general supervision and co-ordination over all matters relating to the environment.

• The Authority is the principal instrument of Government in the implementation of all policies relating to the environment.

• The Authority is established under the Environmental Management and Coordination Act (EMCA). Cap 387
Provisions of EMCA, 1999

• Section 9(2) of EMCA details 17 statutory functions that NEMA shall undertake.

• Section 70 of EMCA 1999 established the Standards Enforcement and Review Committee (SERC)

• This SERC was obliged to recommend to the Authority standards/limits for Various environmental media.
Environmental Management Regulations

Regulations formulated by the Authority include:

a) EIA/EA Regulations, 2003
b) Biodiversity Regulations, 2006
c) Waste Management Regulations, 2006
d) Water Quality Regulations, 2006
e) Controlled (Ozone Depleting) substances Regulations, 2007
f) Wetland Management Regulations, 2009
g) Noise and Excessive Vibrations Pollutions, 2009
Environmental Management Regulations(2)

h) Air Quality Regulations 2015

a) Draft Toxic and Hazardous Chemicals management Regulations

b) Draft E-Waste management Regulations

c) Draft Waste Tyre Management Regulations

d) Draft Deposit Bond Regulations

e) Guidelines: Several in place

f) Draft Guidelines on Economic Instruments
Environmental Management Regulations (2)

Guidelines include:

• Asbestos disposal guidelines
• E-waste guidelines
• Draft used oil disposal guidelines
• Draft Guidelines on Economic Instruments
Air Quality Standards & Guidelines

Section 78 of EMCA obliges SERC to recommend to the Authority the:

– *Ambient air quality standards*;
– Occupational air quality standards;
– Emission standards for various sources;
– *Criteria and guidelines for air pollution control for mobile and stationary sources*;
– Any other air quality standards.
Control of Emissions

• Subsection 78(1)(h) requests the Authority to carry out investigations of actual or suspected air pollution including pollution produced by aircrafts and other self propelled vehicles and by factories and power generating stations;
Control of Emissions from Mobile Sources

Mobile sources means a moving producer of air pollutants, mainly forms of transport such as motorcycles, cars, trucks, trains and airplanes.

Monitoring of Air Pollution.

82. No owner or operator of a motor-vehicle, train, ship, aircraft or other similar conveyance shall:

• (a) operate it in such a manner as to cause air pollution in contravention of the established emission standards; or

• (b) import any machinery, equipment, device or similar thing that will cause emissions into the ambient air in contravention of prescribed emission standards.
Regulatory measures

• Status: Section 78 of EMCA, 2015 obliges the Authority to formulate emission limits for both stationary and mobile sources.

• The emission limits for mobile sources are stipulated under KS;1515:2000 Code of Practice for Motor Vehicle Safety and Inspection for vehicles.

• The standard stipulates the exhaust emission limits for various motor vehicles.
KS 1515:2000

- However no capacity to carry out vehicular exhaust emissions in both public and private sectors.
- Therefore the standard stipulates an age limit of 8 years since manufacture as a proxy to control air pollution from vehicular exhaust emissions.
- The vehicle should have been registered within one year after manufacture date.
Vehicular Exhaust Emission Limits

The vehicles are to be inspected to ensure that they do not pollute the air beyond tolerable limits.

• The limits under KS1515:2000 code of practice for inspection of road vehicles are:

  Category 1. For Normal petrol engines with carburetors (1975 – 1986)

  Carbon Monoxide (CO) shall not exceed 4.5% volume.

  Hydrocarbons (HC) concentrations shall not exceed 0.12% volume per 1200ppm.
Vehicular Exhaust Emission Limits


Carbon Monoxide (CO) – 3.5% vol.
Hydro Carbons (HC) 0.12% – 1200ppm

KS:1515: 2000-Under review to include emission limits for diesel propelled vehicles
Air Quality Regulations 2014.

- The Regulation obliges Commercial and PSV vehicles to undergo annual exhaust emission measurements.
- It also obliges Private vehicles to undergo exhaust emission measurements once every two years.
- Not being enforced due to inadequate capacity both in the public sector which is to act as the reference measurement centres.
Air Quality Regulations 2014.

- In process of establishing an implementation framework that will define the roles of the:
  - Public vehicle testing centres; Private garages or testing centres;
  - Standards formulation body;
  - Fuel quality monitoring body;
  - Transport sector regulatory agencies for effective enforcement of the mobile sources exhaust emission limits- Railways Cooperation; Civil Aviation Authority and Maritime Authority
Age Limit and Air Pollution

• Generally used vehicles have higher exhaust emissions than newer vehicles.
• The used vehicles have adverse effects on: environment; health; climate change; compromise on safety standards leading to accidents; creates demand for used car spare parts; among others.
Responsibilities

• Hence need for *exporting* countries to take responsibility for the emissions by ensuring accessibility and availability of the requisite retrofitting components to manage the exhaust emissions.

• The market for used cars exist because developed countries want their manufacturing industry to thrive while developing countries want access to affordable cars for their citizenry to promote economic development.
Win-Win Situation?

The scenario creates a win-win situation since:

• the Developing Countries' major interest is to ensure open market for the used cars to promote uptake of new cars and

• also the used cars are an important mode of mobility for majority of the population from the developing countries.
Economic Impacts

But is this a case of false economy since used cars have:

a) Lower power than newer ones;

b) Have higher fuel consumption levels;

c) Higher exhaust emissions;

d) Higher operating costs which drive the second hand spare parts markets that drains the scarce foreign exchange;

e) Higher downtime due to frequent maintenance; repairs and replacement to restore to near optimal conditions
Impacts of Age Restriction and Taxation.

• Higher taxation results in importation of older vehicles and hence having a reverse effect on the ambient air quality.

• Age restriction accompanied by appropriate fuel quality for the specific technology range would result in positive environmental effect.

• The above scenario would thus lead to better ambient air quality and hence reduced disease burden.

• Current state: Age Limit - 8 years; Fuel: 50ppm Sulphur content imported.
Challenges

• Need to:
  a) carry out detailed vehicular exhaust emission measurements of the vehicle fleet;
  b) Assess the fuel efficiency and safety of all vehicle types;
  c) Carry out life cycle assessment of the vehicle fleet;
  d) Review the vehicle import criteria to include vehicular exhaust emissions apart from age limit reduction
Challenges 2

e) Inadequate awareness of the financial act 2012 that zero rated excise duty on hybrid vehicles

f) Inadequate incentives to promote uptake of electric motor vehicles

g) Inadequate guidelines on importation of recycled motor vehicle components and parts i.e.
Challenges

a) Formulation of an environmental tax as a new/used vehicle import criteria

b) Develop a regulation on end of live vehicles

c) Neighbouring countries have different age limits or none for used vehicle imports.

d) Kenya allows entry of vehicles from these countries which may have high exhaust emissions
Way Forward

a) Fast-track the framework for implementation of the stipulated emission limits from all mobile sources

b) Review the KS 1515: 2000 to conform to the current vehicular exhaust emission technologies guided by the fuel quality.

c) Formulate policy options recommended under the global fuel efficiency initiative studies.

d) Implement the recommendations of the Feebate and labelling study
Way Forward2

e) Harmonisation of sector specific environmental regulations at the regional levels.

f) Create awareness on financial act 2012 that zero rated excise duty on hybrid vehicles

g) Formulate incentives to promote uptake of electric vehicles
End

THANKS