

Cambodia china electric vehicle market

Electric cars (EVs) are taking the world by storm - an electric storm. In 2020, according to the International Energy Agency, there were more than 10 million electric cars on the roads - a 43 percent increase over 2019. Quite notably, during a period when overall new car registrations fell because of the pandemic, global electric car sales share rose 70 percent to a record 4.6 percent of all car sales in 2020.

Electric mopeds are also seeing dramatic rises in sales, especially in countries like Cambodia, where the public can rent two-wheeler EV ride-shares at selected places in Phnom Penh. For example, Oyika's Go2 app allows users to rent electric scooters and leave them on the street for the next person to pick up. An electric tuktuk will soon be plying the streets of Phnom Penh and electric buses will transport people around Siem Reap.

A small but increasing number of EV four-wheelers are already on Cambodian roads. Several companies have opened showrooms in the capital, introducing more than 10 types of EV cars. The two-wheeler market has about nine two-wheeler EV suppliers, and there is one that provide three-wheelers.

There are many reasons for the rapid rise in EV sales, both in Cambodia and worldwide. The cost of battery technologies has sharply declined over the past few years, and therefore the cost of EVs. The emergence of batteries with increased energy density, increased cycles of charging and discharging, and lower charge losses has directly led to an increase in the lifespan and reliability of EVs - thus prompting more confidence among consumers. By 2025, it is expected that the price of a two-wheeler EV will be the same as a traditional motorcycle with a similar performance.

Another factor that may have led to the rapid rise in EV sales around the world is the capping of subsidies. In both Europe and China, no subsidies were provided for vehicles with prices above a certain threshold. According to the International Energy Agency (IEA), this may have caused the average electric car price to fall in these two regions: battery electric vehicles (BEVs) sold in China were 3 percent cheaper in 2020 than in 2019, while plug-in hybrid electric vehicles (PHEVs) in Europe were 8 percent cheaper.

Electric vehicles are considered the technical solution of choice to meet stringent emission standards in many countries. At the November COP26 summit in Glasgow a group of governments, automakers and others signed on to an agreement to transition to 100 percent zero-emission sales of new cars and vans by 2040 globally and by 2035 in "leading markets." Fifteen countries agreed in a separate pledge to work toward 100 percent zero-emission sales of EV trucks and buses by 2040. Cambodia is yet to follow suit.

It is worth noting that EVs are only as sustainable as the source of the electricity from which they are charged. Emissions are obviously zero if charged with electricity from renewables, but not so if they are charged from the electricity grid. A recent study from the International Council for Clean Transportation (ICCT) confirmed that electric cars are still cleaner than internal combustion engines over their lifecycles even when charged

from the dirtiest electricity grids. They also have health and environmental benefits through reduced air pollution that would result in public health benefits. Moreover, the operating cost of an EV over one kilometre is almost half to that of traditional internal combustion engine vehicle.

Laying the groundwork for an EV transformation in Cambodia

For good reason, the Government of Cambodia has included EVs in the country's national transport policy - with a focus on cities. With rapid urbanization, cities offer the perfect environment for EVs: paved roads, dependable sources of electricity and increasingly available charging stations. Cambodia's Long-Term Strategy for Carbon Neutrality, submitted to the United Nations Framework Convention on Climate Change (UNFCCC) last December, incorporates a commitment to having 40 percent of EV cars and urban buses and 70 percent of electric motorbikes by 2050.

As a first step in that direction, Cambodia reduced import duties on electric vehicles in 2021 to about 50% lower than taxes on traditional internal combustion engine vehicles. This is providing an incentive for people to shift towards electric vehicles.

The Government is further encouraging investments in EV assembling plants in Cambodia. This move has the potential to create more green jobs and investments and help position Cambodia in the emerging global and regional supply chains for EVs.

One of the primary inhibitors of widespread EV adoption worldwide has been the inadequate charging infrastructure. Expanding charging stations across the country could be one of the key drivers towards large scale adoption of EVs. However, more EVs are needed to provide market incentives for companies to invest in more charging stations - a classic chicken-and-egg scenario. Knowing this, the Ministry of Public Works and Transport is encouraging fuel station operators in the country to install EV charging stations at selected locations. It is further developing licensing requirements for those who would like to establish independent charging stations.

Contact us for free full report

Web: <https://kary.com.pl/contact-us/>

Email: energystorage2000@gmail.com

WhatsApp: 8613816583346

