

# Driving EV Market Growth in the Caribbean

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At the height of the coronavirus pandemic, sales of electric vehicles (EVs) accounted for 2.5 percent of car sales worldwide, with over 2.2 million vehicles sold. The current estimation of the number of EVs on the road worldwide is about 16 million. Though a relatively insignificant decimal point of that number, the Caribbean is experiencing its wave of EV uptake as the region plays its part in adopting clean energy practices.

The Offices of Utilities Regulation (OUR) is paying keen attention to the appetite for this cleaner form and has already played its role in laying the groundwork for development in the sector with the formation of an Electric Vehicle Working Group which developed recommendations for a regulatory and legislative framework for a sustainable EV market in Jamaica. Among the weaknesses in the market identified by the group is the low level of public awareness which exists. This is despite research findings conducted by the OUR in 2019 which revealed a 78% awareness of EV existence while 63% viewed an electric vehicle as a good investment.

Chairman of the Consumer Advisory Committee on Utilities (CACU), Yasmin Chong expanded on the group's findings suggesting that the whole ecosystem surrounding the EV market needs to be addressed. Managing Director of the Netherlands-based consulting firm 'NTCS Greenbee' Roland Ferwerda calls this ecosystem the result of a 'series of interactions' that happens between the driver and the electricity provider. Both were presenters at the recently held virtual media workshop hosted by

the OUR entitled "Electric Vehicle -The Road to a New Market". Miss Chong pointed out that if not addressed, a lack of knowledge surrounding the technology and the benefits it offers for improved quality of life will suppress the current growth rate.

Another challenge affecting the consumer relating to this new technology is affordability. CEO of Flash Motors Xavier Gordon indicated that governments across the Caribbean are trying to alleviate consumer expenses by lowering import duties. The founder of the company which has the exclusive license for the importation of BYD electric vehicles to Jamaica did point out that even with these incentives, EVs remain expensive. At the OUR workshop, Mr. Gordon told journalists representing 15 Caribbean territories that in Jamaica, used EVs can cost between \$1.8m and \$5m while a new EV starts at \$8m dollars and can cost up to 5 times that amount.

Yet car sales should not be the only indicator of a healthy EV market. Legal counsel at the OUR Nicole Morgan McCain says an important key performance indicator regarding the state of the EV market in any jurisdiction is the sturdiness of the charging infrastructure, especially as it relates to range anxiety. Mrs Morgan McCain was also quick to point out that addressing the charging infrastructure in Jamaica involved more than simply increasing the number of chargers, it also means 'identifying and amending' any current legislation which may impede its development.

The Director for Business Development at JPS, Dionne Nugent provided some level of reassurance pointing out that the utility provider has already developed a model of operations aimed at tracking load points.





She underscored JPS's sensitivity to the challenges in the sector, highlighting a programme called eDrive in association with the Inter-American Development Bank (IDB) aimed at increasing consumer awareness. According to Ms Nugent, the JPS intends to be much more than an energy provider in the eMobility ecosystem, they intend to play their part in creating inclusivity at all levels.

Dr. Cletus Bertin of the St. Lucia-based Caribbean Electric Utility Services Corporation (CARILEC), said that his association is promoting smart technology to manage spikes in grid demand throughout the eastern Caribbean. EV market growth in the region has its challenges, but there is also much opportunity for investment and employment.

Miss Chong highlighted opportunities for young graduates to fill the void that exists in the areas of service and maintenance. She is also encouraging educational institutions to place all available resources into training young people who have an interest in this area, giving them the opportunity for personal growth while they simultaneously contribute to the growth of the sector.

In presenting the opening remarks for the regional virtual workshop, Cedric Wilson says the Caribbean is faced with unknowns and imponderables but the Deputy Director General of Regulation, Policy, Monitoring, and Enforcement at the OUR went on to encourage public discourse among all stakeholders in the EV market as this is the only way solutions may be found.

This is imperative for consumer advocate Yasmin Chong as in her opinion Jamaica's market is at an embryonic stage and growth in the sector will mean overcoming 'public mistrust and hesitancy due to the current lack of information'.

Nicole Morgan McCain revealed that as of December 2022 there are 114 electric vehicles registered in Jamaica. The Jamaica Urban Transit Corporation (JUTC) has announced the rollout of its first Electric bus with more on order. The Government of Jamaica has set targets for E-mobility growth in Jamaica, however, achieving these targets will require an amalgamation of all stakeholders from all sectors in the market.

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