

Development of Regional Value Chain of Electric Mobility

Morocco- Zambia – RDC CAPACITY BUILDING WORKSHOP ORGANIZATION

1. BACKGROUND

As one of the largest emitters of CO₂ and the largest contributor to global warming, the transport sector is a key target sector for effective policy interventions encouraging modal shifts to less carbon-intensive travel options and efficiency measures to reduce the carbon intensity of all modes of transport. Several North African countries (e.g., Morocco, Egypt, etc.) have relatively large automotive industrial sectors, with well-established car manufacturers that export to global markets. The region's automotive industry has focused on the manufacture of parts and components. The establishment of Renault and Peugeot in Morocco has enabled the country to become Africa's leading automotive producer, accounting for nearly 30 percent of the country's total exports.

The global energy transition and the expected exponential growth of the electric car sector worldwide, supported by growing demand in major markets such as Europe, China, and the United States, but also increasingly in Africa, offer the subregion an opportunity to develop regional value chains for electric mobility and deepen their economic integration with the rest of the continent. Two main clusters could benefit from this growth: the relatively new production of electric batteries and the existing manufacturers of internal combustion engines (ICE) for transportation.

The African continent has the availability of key raw materials that could be associated with the electric vehicle value chain that would allow them to aspire to value-added growth through upstream processing of minerals, manufacturing of precursors and battery cells. Countries such as the Democratic Republic of Congo, the world's largest exporter of cobalt, but also South Africa, Zambia, Kenya and Nigeria for cobalt, and South Africa, Nigeria, Kenya and Uganda for lithium, could capture more value-added and industrialize their economy through the local production of lithium batteries instead of continuing to export raw minerals.

The development of electric mobility value chains in the subregion of North Africa aims at enabling the continent to capture a larger share of the growing global electric vehicle battery market, which is estimated to be worth US\$8 trillion by 2025 and US\$46 trillion by 2050. Building on an existing automotive ecosystem and potential battery ecosystem, the North Africa region could initiate the development of Electric mobility value chain in Africa, capitalizing on the availability of needed minerals (Cobalt, Lithium, Nickel, Manganese and Graphite) and seize the opportunity to integrate a segment or more than one segment of this value chain.

Morocco has expressed interest in developing a value chain for Electric mobility on the continent. This project will identify potential countries to initiate this regional value chain and analyze the business environment needed as well as the support measures and action plan for a partnership framework to develop this regional value chain. Targeted countries: Morocco and southern African countries (DRC, Zambia)

OBJECTIVE OF THE PROJECT:

The objective is to strengthen the capacity of targeted Member States to increase inter regional trade, employment creation and skills development through an enhanced business environment allowing the development of Electric mobility value chains.

EXPECTED RESULTS OF THE PROJECT:

1. Strengthened capacity of MS to identify and implement an effective business environment and ecosystem enabling the development of electric mobility value chain in the continent.
2. Enhanced technical capacity of MS to develop electric mobility value chain in the continent.

OBJECTIVE OF THE CAPACITY BUILDING WORKSHOP

- Dissemination of Knowledge Products: Disseminate knowledge products tailored for the three targeted Member States (MS) regarding the potential of selected value chains in electric mobility.
- Policy Maker Knowledge Enhancement: Enhance the knowledge of policy makers in the three targeted Member states regarding the enabling business environment in light of AfCFTA opportunities and constraints for the development of an Electric Mobility Regional Value Chain (E mobility RVC).
- Policy Maker Awareness Enhancement: Raise awareness among policy makers regarding the potential of Electric Mobility Regional Value Chains (E mobility RVC), encompassing economic growth, job creation, market opportunities, essential prerequisites within the business environment, and effective implementation strategies.

EXPECTED RESULTS FOR THE WORKSHOP:

1. Enhanced knowledge of high-level senior policy makers of the three targeted countries related to the development of Electric mobility regional value chains, sectoral map, market opportunities, enabling business environment, implementation of the AfCFTA and main constraints and opportunities.
2. Knowledge products discussed and commented
3. Identification of a technical working group dedicated to the development of the electric mobility value chain and revision of the deliverables by the working groups
4. Enhancing awareness about regional integration and AfCFTA implementation during this workshop to the selected stakeholders.
5. Recommendations.

PUBLIC TARGETED

1. High level senior Policy makers of the 3 MS
2. Technical experts of the 3 MS
3. Private sector of the Three member states

EXPECTED DATES

January 16th to 19th, 2024

LOCATION

RABAT, MOROCCO

List of participants

Technical working group of six participants from each country Morocco, Zambia, DRC. Participants from policy makers , private sector and technical experts.