

Himalayan high voltage: 76% of cars sold in Nepal are now electric

Subsidies, hydroelectricity and manufacturing powerhouse neighbour are charging up adoption of cleaner vehicles in the landlocked nation

LYDIA DEPILLIS & BHADRA SHARMA

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The narrow streets of Kathmandu — sized for pedestrians and rickshaws — are choked with engines. Buses, motor-bikes, small trucks and taxis fill the sprawling valley with horns and exhaust. For its more than three million residents, just getting around is a dangerous, eye-stinging ordeal.

But recently, a new kind of motor has started to ease the crush. Sleek electric vehicles glide by with a quiet hum. Gleaming showrooms do a brisk business in the latest models, and charging stations on the highways have turned

into rest stops with cafes for drivers to pass the time.

The transition is moving quickly. Over the past year, electric vehicles accounted for 76 per cent of all passenger vehicles and half of the light commercial vehicles sold in Nepal. Five years ago, that number was essentially zero. The EV market share in Nepal is now behind only those of a few countries, including Norway, Singapore and Ethiopia. The average for all countries was 20 per cent in 2024.

The swift turnover is the result of government policies aimed at leveraging Nepal's wealth of hydropower, easing dependence on imported fossil fuels and



clearing the smog. It has been fed by an intense push from Nepal's biggest neighbor, China, the world's dominant manufacturer of battery-powered vehicles.

"For us, using electric vehicles is a comparative advantage," said Mahesh Bhattarai, the director general of Nepal's Department of Customs. "It's good for

us. In the global market, the Chinese EVs are expanding. The same is happening in Nepal."

The effort stands in contrast to policies in the United States and Europe, which have blocked Chinese EVs to protect their domestic auto industries. And it carries hope for other developing countries that seek to become wealthier without enduring the crucible of pollution from which many rich nations have already emerged.

The International Energy Agency estimates that the world will add a billion vehicles by 2050. A vast majority of them will be in low- and moderate-income countries, where the extent of

electric vehicle adoption will help determine future levels of both air pollution and climate-warming emissions.

"We're interested in making sure that this rapid growth in these emerging markets doesn't follow the same trajectory as the developed markets," said Rob de Jong, head of sustainable transportation for the UN Environment Program.

But as Nepal has learned, there are obstacles. The country has spent heavily on subsidies for electric vehicles, and getting rid of the support too quickly could derail the shift to battery power.

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