AFEMA POLICY BRIEF

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AFRICA E-MOBILITY ALLIANCE

Burundi's 2027 Electric and Hybrid Vehicle Mandate

A positive step for fuel-efficient and electric mobility, with implementation gaps to close

15,552	93.8%	20.1%
new vehicle registrations in 2023	of passenger cars first registered in 2023 were five years or older	national electricity access in 2024

The opportunity

The mandate is a welcome signal for cleaner, more fuel-efficient mobility. Its success will depend on clear rules, reliable charging, and affordable used hybrids and EVs

Contents

Executive summary 2
What the policy gets right 2
What needs to be fixed 2
1. The policy 3
2. Why the ban matters 4
3. The opportunity and the gaps 5
The opportunity: the tax wedge can work 5
The gaps: what could hold the policy back 5
4. Lessons from elsewhere 6
What Burundi can copy 6
5. Recommendations 7

Executive summary

Burundi has taken a bold step. From 1 January 2027, passenger cars and jeep-type vehicles ordered for import must be electric or hybrid[1], backed by tax exemptions that make electric vehicles and hybrids cheaper. The policy responds to chronic fuel shortages,[2] a heavy fuel import bill and the need to cut transport emissions. Burundi's NDC targets an economy-wide GHG emission reduction of 23% by 2035 against its Business-As-Usual trajectory. It also signals to investors that Burundi is serious about electric mobility.

The direction is right. The design needs work. The law leaves key terms undefined, its statutory window is short, and the supporting charging and battery standards are not yet in place. This brief explains what the policy does, why it matters, where the gaps are, and what would make it work.

What the policy gets right

- **A clear market signal.** The ban tells importers, dealers and consumers that the future of new passenger cars is electric or hybrid.
- **A strong price signal.** Electric vehicles pay no import duty, VAT or excise. Hybrids pay 25% customs duty only. This closes much of the price gap with petrol and diesel cars.
- **A practical supply mix.** The law allows hybrids, which are widely available as used imports and do not depend on charging infrastructure.
- **A wider benefit.** Fewer fuel imports, lower exposure to global oil prices and cleaner air.

What needs to be fixed

- **Definitions.** "Order", "hybrid" and "jeep-type" are not defined. A pre-2027 order rush or a mild-hybrid loophole could weaken the rule.
- **Enforcement.** No implementing circular, certification protocol or penalty procedure has been published.
- **Scope and standards.** The extra-EAC definition of "importation" may leave intra-EAC imports outside the ban. No battery health or recycling standard exists.
- **Readiness.** Charging is limited to Bujumbura, the grid is weak upcountry and consumer finance is scarce.

Table 1. The balance sheet

What Burundi gains	What Burundi risks
Lower fuel imports, foreign-exchange savings and cleaner air	Revenue forgone from tax exemptions
Cheaper running costs for drivers and businesses	Charging and grid gaps, especially upcountry
A clear signal to investors and vehicle suppliers	Grey imports and battery dumping without standards

At a glance

- The mandate requires new passenger cars and jeep-type vehicles ordered from 1 January 2027 to be electric or hybrid.
- The tax package makes EVs duty-free and hybrids cheaper; a used EV can land cheaper than a used petrol car.
- The main gaps are definitions, enforcement, charging, battery standards and a six-month window.

[1] Republic of Burundi, Law No. 1/10 of 30 June 2026 on the General Budget of the State for 2026/2027, https://finances.gov.bi/wp-content/uploads/2026/07/LOI-DE-FINANCES-2026-2027-PROMULGUEE.pdf. Article 221, p. 58.

[2] https://breakingburundi.com/burundis-fuel-shortage-deepens-transport-crisis-fuels-black-market-trade-and-road-safety-concerns/

1. The policy

Article 221 of the 2026/27 Finance Law requires jeep-type vehicles and passenger cars[3] imported into Burundi and ordered from 1 January 2027 to be electric or hybrid. It also applies to vehicles purchased by state services. The law does not distinguish between new and used vehicles, so used electric and hybrid imports are allowed while used petrol and diesel cars are not.

Article 220 provides the incentives[4]. Electric vehicles are exempt from all import duties, taxes and fees. Hybrids are exempt from consumption tax and import VAT. Spare parts and repair services for electric and hybrid vehicles are exempt from VAT. Petrol and diesel cars continue to pay 25% customs duty[5], 7-17% excise and 18% VAT, plus an anti-pollution penalty for vehicles aged seven years or more[6].

Table 2. What Article 221 does

Provision	What it says	What it means
Scope	Jeep-type vehicles and passenger cars imported and ordered from 1 January 2027 must be electric or hybrid.	Covers private cars and state purchases. Trucks, buses and motorcycles are outside the mandate.
Trigger	The order date is the cut-off.	A vehicle ordered before 1 January 2027 can still enter later. A transition registry is needed.
Tax treatment	EVs pay no import duties, taxes or fees. Hybrids pay duty but no excise or VAT.	A used EV can land cheaper than a used petrol car. Hybrids are the practical bridge.
Duration	The measure applies to the 2026/27 budget year.	It covers orders from 1 January to 30 June 2027 unless renewed in the next finance law.

Source: Law No. 1/10 of 30 June 2026, Articles 220 and 221, pp. 57-58.

Two design issues stand out. First, the measure is framed as a budget-year provision, so its continuity after 30 June 2027 depends on renewal. Second, Article 119 defines "importation" as imports from outside the East African Community[7]. If that definition applies to Article 221, intra-EAC imports may fall outside the ban. Both issues need clarification before the first order.

Why the window matters

A six-month measure gives importers little time to adjust inventory, training and finance. Renewal in the 2027/28 finance law would provide the multi-year signal the market needs.

[3] Republic of Burundi, Law No. 1/10 of 30 June 2026 on the General Budget of the State for 2026/2027, https://finances.gov.bi/wp-content/uploads/2026/07/LOI-DE-FINANCES-2026-2027-PROMULGUEE.pdf. Article 221, p. 58.

[4] Republic of Burundi, Law No. 1/10 of 30 June 2026 on the General Budget of the State for 2026/2027, https://finances.gov.bi/wp-content/uploads/2026/07/LOI-DE-FINANCES-2026-2027-PROMULGUEE.pdf. Article 220, p. 57.

[5] East African Community, Customs Union and Common External Tariff, https://www.eac.int/customs.

[6] Republic of Burundi, Law No. 1/10 of 30 June 2026 on the General Budget of the State for 2026/2027, https://finances.gov.bi/wp-content/uploads/2026/07/LOI-DE-FINANCES-2026-2027-PROMULGUEE.pdf. Articles 75 and 112, pp. 28-34.

[7] Republic of Burundi, Law No. 1/10 of 30 June 2026 on the General Budget of the State for 2026/2027, https://finances.gov.bi/wp-content/uploads/2026/07/LOI-DE-FINANCES-2026-2027-PROMULGUEE.pdf. Article 119, p. 36.

2. Why the ban matters

Burundi is a low-income, landlocked country of 14.4 million people, with a GDP of US$3.36 billion in 2025[8]. Its car market is small, old and overwhelmingly fed by used imports. In 2023, 15,552 new vehicles were registered, of which 6,794 were cars and other vehicles and 8,758 were motorcycles or tricycles. Of the 4,748 passenger cars first registered, 93.8% were five years or older[9]. This is the market the ban will reshape.

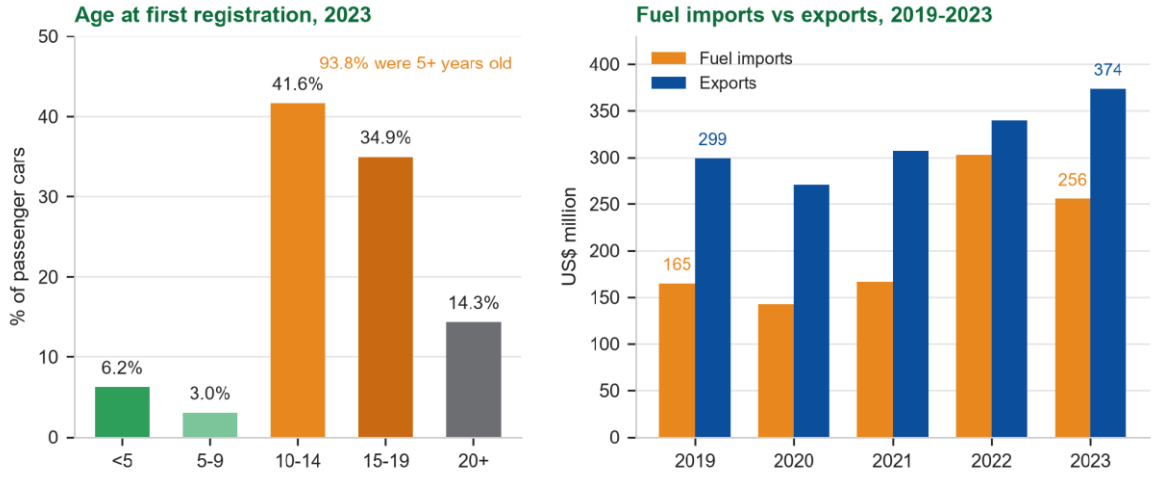


Figure 1. Burundi's starting point: an old car fleet and a heavy fuel bill. Sources: INSBU (2025), Table 2; UN Comtrade, HS 27; World Bank, World Development Indicators.

The fuel case is strong. Burundi imported US$255.8 million of mineral fuels in 2023, equivalent to 22% of total imports and 68% of exports of goods and services[10]. Fuel shortages have persisted for years. Shifting new car demand toward hybrids and electric vehicles reduces the fuel bill, improves air quality and lowers exposure to global oil prices.

The health benefit is also significant. Older petrol and diesel vehicles are a major source of fine particulate matter and nitrogen oxides in Bujumbura. Replacing them with hybrids and electric vehicles reduces local air pollution along busy corridors and improves public health.

The policy also has a supply advantage. China is already Burundi's second-largest vehicle supplier[11] and offers low-cost electric vehicles. Japan and Europe offer used hybrids. The tax package can make these vehicles competitive with the old petrol cars they replace. For a country with limited fiscal space, the tax exemption is a lower-cost way to change behaviour than a direct subsidy.

[8] World Bank, World Development Indicators, Burundi, https://data.worldbank.org/country/burundi (accessed 4 November 2026).

[9] INSBU, Parc automobile immatriculé au Burundi au cours de l'année 2023 (Bujumbura: INSBU, March 2025), https://www.insbu.bi/documents/parc-automobile/Parc_Automobile_Burundi%20_2023.pdf. Table 2, p. 13.

[10] UN Comtrade, Burundi imports of mineral fuels (HS 27) and vehicles and parts (HS 87), 2023, https://comtradeplus.un.org/. World Bank, World Development Indicators, Burundi, https://data.worldbank.org/country/burundi (accessed 4 November 2026).

[11] UN Comtrade, Burundi imports of mineral fuels (HS 27) and vehicles and parts (HS 87), 2023, https://comtradeplus.un.org/.

3. The opportunity and the gaps

The opportunity: the tax wedge can work

The tax package changes the economics. A used electric vehicle with a US$10,000 CIF lands at about US$10,000. A used petrol car with a US$8,000 CIF lands at about US$12,600 once duty, excise, VAT and the anti-pollution penalty are included. A used hybrid at US$10,000 lands at about US$12,500. At the new end, a US$20,000 electric vehicle lands cheaper than a US$15,000 petrol car[12]. Figure 2 shows the comparison.

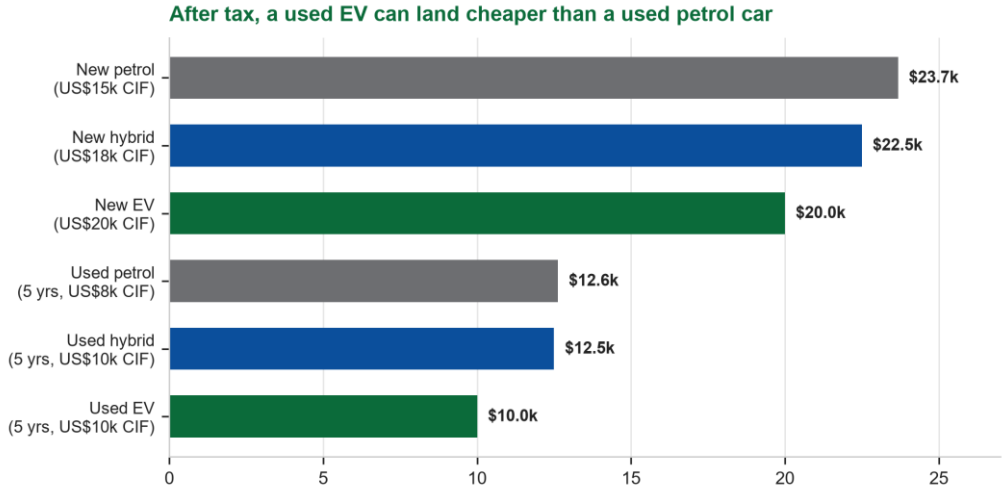


Figure 2. After tax, a used electric vehicle can land cheaper than a used petrol car. Source: Calculations using Law No. 1/10 of 2026, Articles 112, 220 and 221; EAC CET 25% duty; 18% VAT; 7% excise; OBR exchange rate 3,037.66 BIF/US$. Excludes freight and dealer margins.

Running costs reinforce the case. At 15,000 km a year, a petrol car spends about US$1,580 on fuel, a hybrid about US$988, and an electric vehicle about US$185-296 depending on the charging tariff[13]. The used electric vehicle is the strongest value proposition, provided the battery is healthy and charging is available.

The gaps: what could hold the policy back

Definitions. The law does not define "order", "hybrid" or "jeep-type". A pre-2027 order rush, mild hybrids and converted vehicles could undermine the rule.

Enforcement. No implementing circular, certification protocol or penalty procedure has been published. Customs needs a clear test and a list of approved models.

Scope. Article 119's extra-EAC definition may leave intra-EAC imports outside the ban. The circular should close this loophole.

Battery health and charging. No battery standard, no charging tariff, one solar fast-charging station in Bujumbura[14] and no identified public charging upcountry. Used battery dumping is a real risk.

These gaps call for careful implementation, not abandonment.

[12] Calculations using Law No. 1/10 of 2026, Articles 112, 220 and 221; EAC CET 25% duty; 18% VAT; 7% excise; OBR exchange rate 3,037.66 BIF/US$. Excludes freight and dealer margins.

[13] Calculations using Law No. 1/10 of 2026, Articles 112, 220 and 221; EAC CET 25% duty; 18% VAT; 7% excise; OBR exchange rate 3,037.66 BIF/US$. Excludes freight and dealer margins.

[14] Burundi Times, "Burundi unveils first Solar Fast-Charging Station for Electric Vehicles," 15 March 2026, https://www.burunditimes.com/burundi-unveils-first-solar-fast-charging-station-for-electric-vehicles/.

4. Lessons from elsewhere

Other countries show what works and what to avoid. The strongest results come from combining a clear import signal with charging, standards and finance.

Table 3. Comparative experience

Country	Approach	Result and lesson
Ethiopia	ICE import ban since January 2024, with EV tax incentives.	About 15,000 electric passenger cars by 2024, nearly 5% of the car stock. Adoption is concentrated in Addis Ababa, showing the need for charging beyond the capital.
Rwanda, Kenya, Tanzania, Malawi	Fiscal incentives rather than a broad car ban: duty relief, VAT exemptions, charging rules and public fleet targets.	Steady market building, especially in two- and three-wheelers. Incentives can work without a mandate if they are stable and paired with charging.
Uganda	Zero duty on EVs and hybrids in FY2023/24, reinstated at 25% in FY2024/25.	EV imports rose from 26 to 420 units, of which 403 were hybrids. Hybrids dominate when charging is weak. Policy stability matters.
Nepal	Steep tax differential in favour of EVs, followed by higher EV taxes in 2026.	EVs reached 73% of new car sales in 2025, but the fiscal cost triggered a reversal. Estimate the cost before announcing.

Sources: Energy for Growth Hub (2026); AfEMA Policy Instruments Register (2026); URA (2023/24); Mongabay (2026).

The lesson is consistent. A ban can shift the market, but it works best when paired with charging, standards, finance and a multi-year signal. Hybrids dominate when charging is weak. Fiscal incentives can be reversed when costs become visible. Burundi can avoid those pitfalls by acting early.

What Burundi can copy

- **A clear signal with a multi-year horizon.** Importers need time to change inventory, train staff and build service networks.
- **A package, not a standalone ban.** Pair the mandate with charging, battery standards and affordable finance.
- **A used-market strategy.** Used hybrids and electric vehicles are the most realistic route to affordability in the near term.

5. Recommendations

The recommendations are sequenced to protect the ban's ambition and close its main gaps before the first order.

Publish the implementing circular by March 2027. Define order, hybrid, jeep-type, used vehicles, certification and penalties. Clarify the anti-pollution penalty for used electric and hybrid vehicles and the intra-EAC scope.

Create a pre-2027 order and stock registry. Require dealers to declare orders placed before 1 January 2027 and vehicles in transit. This prevents a pre-deadline rush without penalising legitimate stock.

Adopt a battery health and recycling standard. Require a state-of-health certificate of at least 80%, a battery passport, a minimum warranty and a take-back obligation. This protects consumers and prevents dumping.

Publish a charging master plan and an electric vehicle tariff. Target Bujumbura, provincial capitals and transport corridors. Require chargers at public buildings and fuel stations, and set an off-peak tariff to manage grid demand.

Make used hybrids and electric vehicles affordable. Create a green credit line or guarantee, a scrappage or trade-in scheme, and a leasing or battery-as-a-service option. The used market is where the ban can reach lower-income buyers.

Renew and monitor the mandate. Renew it in the 2027/28 finance law and publish an annual report on registrations, imports, charging points, tax expenditure and fuel savings.

> **The bottom line**
>
> Burundi has made a positive choice. A clear circular, a battery standard, a charging plan and affordable finance would turn the ban into a durable market signal.