

To Replace



Pre-Euro and Euro I Diesel

Commercial Vehicles

by *New Commercial Vehicles*

Incentive Scheme



Environmental Protection Department

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Incentive Scheme

The Incentive Scheme

Vehicles are the second largest air pollution source in Hong Kong. Among them, diesel commercial vehicles are the most polluting. Compared with their Euro IV counterparts, pre-Euro vehicles emit 30 times more respirable suspended particulates (RSP) and two times more nitrogen oxides (NOx) whereas Euro I vehicles emit 15 times more RSP and 1.5 times more NOx. To improve air quality, the Government will, with effect from **1 April 2007**, offer a time-limited one-off grant to vehicle owners to replace their pre-Euro and Euro I diesel commercial vehicles with new commercial vehicles complying with the prevailing statutory emission standard for newly registered vehicles ^(See Note 1).

Under this grant scheme, “commercial vehicles” include light/medium/heavy goods vehicles, private/public light buses and private/public non-franchised buses. Pre-Euro and Euro I commercial vehicles are classified by their first registration dates. Pre-Euro vehicles refer to those vehicles first registered before 1 April 1995, whereas the first registration period of Euro I vehicles are listed below:

Vehicle Class	Euro I Diesel Commercial Vehicles First Registration Date
<ul style="list-style-type: none">• Goods vehicles of permitted gross vehicle weight over 4 tonnes• Non-franchised buses	First registered between 1 April 1995 and 31 March 1997
<ul style="list-style-type: none">• Goods vehicles of permitted gross vehicle weight not exceeding 4 tonnes• Light Buses	First registered between 1 April 1995 and 30 September 1998

Eligibility

To be eligible for the grant, the Applicant shall meet all of the following requirements:

- (1) He shall scrap a pre-Euro or Euro I vehicle and purchase a new replacement vehicle in compliance with Euro IV emission standard ^(See Note 1);
- (2) He shall de-register the scrapped pre-Euro or Euro I vehicle and first register the new replacement vehicle;
- (3) The old vehicle for de-registration and the replacement vehicle for first registration shall be a “commercial vehicle” as defined above;
- (4) The old vehicle shall have a valid vehicle licence in Hong Kong at the time of scrapping;
- (5) He shall apply for first registration of the new replacement vehicle after the old vehicle has been scrapped and de-registered;

- (6) Scrap and de-registration of the old vehicle as well as submission of the application for first registration of the new replacement vehicle shall be made within the period specified under the Scheme (Please refer to the table below for the application deadline for various vehicle categories);
- (7) He shall be the first registered owner of the new replacement Euro IV commercial vehicle ^(See Note 1) and the registered owner of the de-registered vehicle;
- (8) The new Euro IV replacement vehicle ^(See Note 1) has never been registered in Hong Kong.

Please note:

During the implementation period of the scheme, some vehicle suppliers may still offer for sale Euro III models. As vehicle owners have to replace their old commercial vehicles with Euro IV commercial models in order to be eligible for the grant, they should ensure that the vehicles they intended to purchase are Euro IV^(See Note 1) models. Should there be any queries, please contact the Environmental Protection Department (EPD).

Note 1: Currently, Euro IV emission standard is the statutory standard for newly registered commercial vehicles. If it is tightened to a more stringent standard during the implementation period of the scheme, the new replacement commercial vehicles shall comply with the new standard.

Categories of Eligible Pre-Euro and Euro I Diesel Vehicles and the Application Deadlines

Application can be made between 1 April 2007 and the deadlines set out below:

(1) Pre-Euro Diesel Commercial Vehicles

Old Commercial Diesel Vehicles Vehicle Classes	Application Deadline
<ul style="list-style-type: none"> • Goods vehicles (Excluding diesel goods vehicles of permitted gross vehicle weight over 4 tonnes with body types being registered as “concrete mixer” or, “gully emptier” or, “lorry crane” or “pressure tanker”) • Light buses • Non-franchised buses 	30 September 2008
<ul style="list-style-type: none"> • Goods vehicles of permitted gross vehicle weight over 4 tonnes with body types being registered as: <ul style="list-style-type: none"> - concrete mixer; or - gully emptier; or - lorry crane; or - pressure tanker 	31 March 2010

(2) Euro I Diesel Commercial Vehicles

The application deadline for Euro I diesel commercial vehicles is **31 March 2010**.

The vehicle information such as vehicle class, date of first registration, permitted gross vehicle weight and body type for deciding on the eligibility of a vehicle for the grant shall be the one in its vehicle registration document issued by the Transport Department.



Grant Level

The grant, if approved, shall be made payable to the first registered owner of the newly registered vehicle as specified in its Registration Document issued by the Transport Department.



The grant payable shall be the lesser of the grant for the vehicle class (and the permitted gross vehicle weight) of the original vehicle at the time of its de-registration and the one for the vehicle class (and the permitted gross vehicle weight) of the replacement vehicle at the time of its first registration, whichever is the less. For the levels of grant applicable to different vehicle classes, please refer to the Annex.

The following illustrates how the grant levels are determined:



Example 1: The grant level is the one for the vehicle class of the old vehicle at the time of its de-registration.

Old Vehicle	New Replacement Vehicle	Eligible Grant Level (See the levels of grant in the Annex)
Owner de-registered a pre-Euro light diesel goods vehicle of permitted gross weight of 2.8 tonnes (Van-type)	Owner purchased and first registered a Euro IV medium goods vehicle of permitted gross vehicle weight of 16 tonnes	<ul style="list-style-type: none"> • The grant level for a pre-Euro vehicle of the vehicle class of the old vehicle is \$20,000. • The grant level for a pre-Euro vehicle and of the vehicle class of the new replacement vehicle is \$52,000. • The grant payable to the vehicle owner is the lesser of the two - \$20,000.
Pre-Euro 	Euro IV 	

Example 2: The level of grant is the one for the vehicle class of the new replacement vehicle at the time of its first registration.

Old Vehicle	New Replacement Vehicle	Eligible Grant Level (See the levels of grant in the Annex)
Owner de-registered a pre-Euro medium goods vehicle of permitted gross weight of 16 tonnes	Owner purchased and first registered a Euro IV light diesel vehicle of permitted gross vehicle weight of 2.8 tonnes (Van-type)	<ul style="list-style-type: none"> The grant level for a pre-Euro vehicle and of the vehicle class of the old vehicle is \$52,000. The grant level for a pre-Euro vehicle and of the vehicle class of the new replacement vehicle is \$20,000. The grant payable to the vehicle owner is the lesser of the two - \$20,000.
<p>Pre-Euro</p> 	<p>Euro IV</p> 	

Example 3: The level of grant will remain unchanged in case the vehicle class of the replacement vehicle upon first registration is the same as that of the old vehicle upon de-registration.

Old Vehicle	New Replacement Vehicle	Eligible Grant Level (See the levels of grant in the Annex)
Owner de-registered a pre-Euro bus with 49 seats	Owner purchased and first registered a Euro IV bus with 49 seats	<ul style="list-style-type: none"> The grant level for a pre-Euro vehicle and of the vehicle class of the old vehicle is \$115,000. The vehicle class of the new replacement vehicle is the same as the old one. As such, the grant payable to the vehicle owner is \$115,000.
<p>Pre-Euro</p> 	<p>Euro IV</p> 	

Enquiry

For enquires about the Incentive Scheme, please contact the following Departments:

Environmental Protection Department

Details of the Scheme

Tel: 2824 0022

Fax: 2877 8690

Vehicle models in compliance with Euro IV emission standard

Tel: 2594 6392

Fax: 2824 9361

Address: Mobile Source Control Group, Environmental Protection Department,
Room 4518, 45/F., Revenue Tower, 5 Gloucester Road, Wanchai, Hong Kong.

or visit Environmental Protection Department's web-site:

<http://www.info.gov.hk/epd/>

Transport Department

Application methods and procedures for the one-off grant

Tel: 2804 2600

Address: Hong Kong Licensing Office, Transport Department, 3/F., United Centre, 95 Queensway,
Hong Kong.

Environmental Protection Department

March 2007

Annex

Levels of Grant for Different Classes of Vehicles

If the vehicle class (and permitted gross vehicle weight for goods vehicle) of the old and new replacement vehicle are the same, before identifying the amount of grant for the replacement of vehicle of same vehicle class, the applicant must know if the old vehicle to be de-registered is a pre-Euro or Euro I vehicle and its vehicle class (and permitted gross vehicle weight for goods vehicle). Then refer to the grant table below for the eligible grant level for the old vehicle. If the applicant wish to replace the old vehicle with a new replacement vehicle of a different class (and/or permitted gross vehicle weight for goods vehicle), the applicant shall compare the grant level for the old vehicle and the new replacement vehicle; whichever is less is the eligible grant level. The grant level for the new vehicle is based on the vehicle class of the newly registered vehicle at the time of its first registration and the Euro category (pre-Euro or Euro I) of the old vehicle.

Levels of Grant for Goods Vehicles and Non-franchised Buses

Vehicle Classes	Permitted Gross Vehicle Weight (Tonnes)	Pre-Euro	Euro I
Light goods vehicles (non-van type)	Up to 1.9	\$17,000	\$25,000
	Over 1.9 but not exceeding 5.5	\$29,000	\$43,000
Light goods vehicles (van-type)	Up to 1.9	\$10,000	\$14,000
	Over 1.9 but not exceeding 5.5	\$20,000	\$30,000
Medium goods vehicles	Over 5.5 but not exceeding 10	\$34,000	\$51,000
	Over 10 but not exceeding 13	\$41,000	\$61,000
	Over 13 but not exceeding 16	\$52,000	\$77,000
	Over 16 but not exceeding 24	\$65,000	\$97,000
Heavy goods vehicles	Over 24	\$76,000	\$113,000
Non-franchised buses with 17 to 30 seats		\$48,000	\$73,000
Non-franchised buses with 31 seats and above		\$115,000	\$173,000

Levels of Grant for Light Buses

In-use old diesel light buses	Replacement Vehicles		
	Electric Light Buses	Euro IV LPG Light Buses	Euro IV Diesel Light Buses
Pre-Euro and Euro I	\$80,000	\$60,000	\$40,000