

Ex-gratia Payment Scheme for Phasing out Euro IV Diesel Commercial Vehicles

FAQs

Eligibility Criteria

- 1. Is my Euro IV DCV eligible for the ex-gratia payment if its registration has been cancelled as of 1 January 2020?**

No. As the policy is aimed at phasing out the Euro IV DCVs that are still running in Hong Kong through granting an ex-gratia payment, one of the eligibility criteria for the application for ex-gratia payment is that the Euro IV DCV concerned is registered or has applied for re-registration as of 1 January 2020. The term “registration” mentioned in the above criterion refers to vehicle registration.

- 2. Is my Euro IV DCV eligible for the ex-gratia payment after scrapping if its vehicle licence has been cancelled by the Transport Department for non-compliance of inspection order?**

The eligibility criterion (3) of the ex-gratia payment scheme is met if the vehicle has had a valid vehicle licence on or after 1 January 2020.

- 3. Is my vehicle, a Euro IV special purpose vehicle, eligible for the ex-gratia payment?**

No. Special Purpose Vehicles do not belong to goods vehicle, light bus or non-franchised bus. Thus, they are not eligible for the ex-gratia payment.

- 4. I intend to purchase a Euro IV DCV that is eligible for applying for the ex-gratia payment. How do I know whether the vehicle concerned is registered as a DCV or has applied for re-registration as a DCV as of 1 January 2020?**

Any person who wishes to purchase a Euro IV DCV to apply for the ex-gratia payment has the responsibility to find out whether the vehicle concerned is eligible to apply for the ex-gratia payment. Before you purchase a vehicle and complete the formalities for transfer of ownership of the vehicle, you should first find out the details of the vehicle from the current registered vehicle owner, including whether the vehicle is registered or has applied for re-registration as of 1 January 2020. The owner or authorized person of the owner can provide the Transport Department with a discernible and complete vehicle registration document of the vehicle and a copy of the registered owner's identity card to the department for checking if the vehicle meets the eligibility criteria (1) to (3) of the ex-gratia payment scheme. If the registered owner is a company, the vehicle registration document must have the signature of the registered owner and the company seal. In your enquiry, you can email a copy of the vehicle registration document to licensing@td.gov.hk or fax (fax no. 2529 5029) it to the Transport Department's Ex-gratia Payment Unit.

- 5. My vehicle is originally a diesel light goods vehicle, but it is registered as a private car with TD. Is this vehicle covered by the Scheme?**

No. The Scheme and the arrangements for phasing out Euro IV DCVs are based on the vehicle information in the vehicle registration document (i.e. the vehicle registration book). Private cars are not eligible for the Scheme.

6. My DCV is a Euro IV model but was first registered after the dates specified in Table 1 under the Scheme. Is this vehicle covered by the Scheme?

A special arrangement is provided to allow the owners of DCVs which were originally designed as Euro IV DCVs but were first registered on a date after the period as specified in Table 1 and classified as Euro V DCVs to choose to scrap and cancel the registration of their vehicles within the period between 19 October 2020 and 31 December 2027 (both dates inclusive) and apply for the ex-gratia payment within three months after the cancellation of vehicle registration. However, vehicle owners are required to submit proof of the design emission standards of their vehicles (such as documents issued by vehicle manufacturers) to EPD for approval before scrapping their vehicles.

7. My vehicle was originally designed as a Euro V DCV, but it was first registered on a date that falls within the period specified in Table 1 and classified as a Euro IV DCV. Can this vehicle be exempted from being phased out?

DCVs which were originally designed as Euro V DCVs but were first registered on a date that falls within the period specified in Table 1 and classified as Euro IV DCVs are Excluded Vehicles which are exempted from being phased out. Owners of the Excluded Vehicles who would like to apply for licence after the deadlines for cancelling the vehicle registration are required to submit proof of the design emission standards of their vehicles (such as documents issued by vehicle manufacturers) to the EPD for verification. These owners do have the flexibility and can choose to scrap and cancel the registration of their vehicles within the period between 19 October 2020 and the vehicles' respective deadlines specified in Table 2 (both dates inclusive) and apply for the ex-gratia payment within three months after the vehicle's registration is cancelled (inclusive of date of de-registration).

Application Procedures

8. What steps should I follow to apply for the ex-gratia payment?

The applicant shall follow the steps below to apply for the ex-gratia payment:

1. Within the period between 19 October 2020 and the respective deadline for cancelling the vehicle registration (both dates inclusive), arrange for the scrapping of his / her Euro IV DCV by a vehicle scrapping company registered under the Scheme; and notify the Transport Department ("TD") of such scrapping by submitting a completed form TD 184 or form TD 129 if the vehicle owner intends to retain the vehicle registration mark, together with the relevant original scrapping certificate issued by the registered vehicle scrapping company for cancelling the vehicle's registration. The cancellation of vehicle registration is not automatic after the DCV is scrapped. The vehicle owner has to apply for the cancellation of registration of his / her scrapped vehicle at one of the TD's Licensing Offices. For the avoidance of doubt, the vehicle owner should complete the cancellation of registration of his / her scrapped vehicle on or before the deadline specified in Table 2 of his / her DCV so as to be eligible for the ex-gratia payment; and

2. Within three months after the vehicle's registration is cancelled (inclusive of date of de-registration), the applicant shall submit an application for ex-gratia payment to the TD via a completed form TD 605B together with a photo showing the vehicle's unique chassis number taken by the registered vehicle scrapping company before the vehicle is scrapped. The applicant can submit the application for ex-gratia payment by the following means:

- i. via drop-in boxes located at the four Licensing Offices of the TD;
- ii. by post to Hong Kong Licensing Office, Transport Department (Address: 3/F United Centre, 95 Queensway, Hong Kong) (the application submission date would be the date as indicated by the postmark);
- iii. in person or by agent to Counter Number 1 of Hong Kong Licensing Office, Transport Department during office hours; or
- iv. by email* to epu@td.gov.hk (*: For applications submitted by email, preliminary vetting of the application will be conducted and approval-in-principle will be granted if the application is eligible and in order. Payment of the ex-gratia payment will be granted after the applicant or his / her representative submits the original application form to the TD for verification).

9. How long do I have to be a registered owner of a Euro IV DCV so as to be eligible for applying for the ex-gratia payment?

The Scheme does not set a limit on the duration for which the applicant is the registered owner of the vehicle concerned. However, the Scheme requires the applicant to be the registered owner of the eligible vehicle at the time when its registration is cancelled.

10. How long will it take to apply for the ex-gratia payment?

The Transport Department ("TD") will acknowledge receipt of the application in writing/by email. Subject to the approval of the application for ex-gratia payment, the applicant will receive an approval letter in about 6 to 8 weeks after submitting application and all the required application documents. Upon receipt of the approval letter, the applicant will receive the ex-gratia payment in a crossed cheque by surface mail in about 2 weeks. The cheque will be sent by post to the correspondence address provided to TD by the registered owner of the vehicle concerned.

11. Can I submit the applications for cancellation of vehicle registration and ex-gratia payment at the same time? Can both applications be completed within the same day?

Applications for cancellation of vehicle registration and ex-gratia payment are two different kinds of applications. As the Scheme requires prior cancellation of the vehicle registration concerned, TD will not accept applications for cancellation of vehicle registration and ex-gratia payment submitted by the vehicle owner at the same time. However, the vehicle owner may, on the same day when cancellation of vehicle registration is completed by TD, immediately submit an application for ex-gratia payment.

Eligible vehicle owners must complete the formalities for cancellation of vehicle registration before the deadline of cancellation of vehicle registration and within three months after the vehicle's

registration is cancelled, the applicant shall submit an application for ex-gratia payment to the TD via a completed form TD 605B.

12. If TD's Licensing Offices are not open on the deadline for the cancellation of vehicle registration, can the cancellation of vehicle registration be postponed?

No. Vehicle owners eligible for the Scheme must complete the formalities for cancellation of vehicle registration within the period between 19 October 2020 and the respective deadline for cancelling the vehicle registration (both dates inclusive). For applications submitted by post, the application dates are determined by the postmarks. If the deadline is not a working day, applications submitted in person must reach TD's Licensing Offices on or before the last working day prior to the application deadline. For applications submitted by delivery, they must be put in the drop-in boxes at TD's Licensing Offices on or before the application deadline.

13. The vehicle licence of my Euro IV DCV has expired. Do I have to renew it to be eligible for the ex-gratia payment?

If the vehicle has had a valid vehicle licence on or after 1 January 2020, there is no need to renew the vehicle licence for the application of ex-gratia payment.

14. My Euro IV DCV was severely damaged in an accident/burnt in a fire accident after the introduction of the Scheme, but the vehicle has had a valid vehicle licence on or after 1 January 2020. Can I apply for the ex-gratia payment?

The Scheme requires that an eligible vehicle owner shall, when submitting an application for cancellation of vehicle registration of the vehicle concerned, provide a Vehicle Scrapping Certificate issued by a registered vehicle scrapping company (RVSC) under the ex-gratia payment scheme. When submitting an application for ex-gratia payment, the vehicle owner shall provide a photo showing the vehicle's unique chassis number taken by the RVSC concerned before the vehicle is scrapped. Such requirements also apply to any vehicle which is severely damaged in an accident/burnt in a fire accident. If the vehicle's chassis number is damaged, the vehicle owner should approach TD's Driving Licence Records Office (telephone no.: 2594 7879) for verification of the number before scrapping the vehicle. The vehicle should only be arranged for scrapping by a RVSC when the verification is completed.

15. How is the amount of ex-gratia payment calculated?

The amount of ex-gratia payment is calculated on the basis of the age (counting from the first registration date of the vehicle to the date of cancellation of its vehicle registration), class, body type, permitted gross vehicle weight and seating capacity (if applicable). Except age, all the other information stated in the vehicle registration document as at 1 January 2020 will be taken in calculating the amount of ex-gratia payment. Vehicle owners may refer to Table 4 on the EPD's website regarding the amount of ex-gratia payment.

16. I bought a Euro IV diesel vehicle with lorry crane on 1 September 2020. The previous owner told me that the crane was installed on 12 January 2020, and the vehicle registration document was updated on that day. If I apply for ex-gratia payment, will the amount be calculated based on the body type of lorry crane?

For all eligible Euro IV DCV, its body type (for DCVs other than single deck non-franchised buses) or body type and passenger seating capacity (for single deck non-franchised buses) stated in its vehicle registration document as at 1 January 2020 will be taken in calculating the amount of ex-gratia payment.

If you need to verify the body type and passenger seating capacity of the vehicle on 1 January 2020, the owner or authorized person of the owner can provide the Transport Department with a discernible and complete vehicle registration document of the vehicle and a copy of the registered owner's identity card for follow up of the department. If the registered owner is a company, the vehicle registration document must have the signature of the registered owner and the company seal. In your enquiry, you can email a copy of the vehicle registration document to licensing@td.gov.hk or fax (fax no. 2529 5029) it to the Transport Department's Ex-gratia Payment Unit.

17. Is it necessary for my Euro IV DCV to be covered by a valid policy of insurance on the dates of vehicle scrapping and cancellation of vehicle registration?

While the Scheme does not require the vehicle under application to be covered by a valid policy of insurance, according to the statutory requirement, it is necessary to have a valid policy of insurance or security in respect of third party risks for the use of any vehicle on roads.

18. Can I arrange to dismantle the vehicle before the launch of the ex-gratia payment scheme, and then submit the ex-gratia payment application after 19 October 2020?

No. As the policy is aimed at phasing out the Euro IV DCVs that are still running in Hong Kong through granting an ex-gratia payment, eligible vehicles must be scrapped by registered vehicle scrapping companies (RVSC) under the ex-gratia payment scheme after the Scheme is launched, that is, on or after 19 October 2020 and before the respective deadline for cancellation of vehicle registration, and then apply to the Transport Department for the ex-gratia payment within three months after the vehicle's registration is cancelled (inclusive of date of de-registration).

19. I intend to scrap my non-franchised bus/public light bus (PLB)/private light bus (PrLB) which is a Euro IV DCV, make an application for ex-gratia payment, then buy a replacement vehicle and apply for the Passenger Service Licence in respect of that non-franchised bus/PLB/(PrLB). How should I go about it?

Applications for replacement of non-franchised buses/PLBs/PrLBs and ex-gratia payment are two different kinds of applications. The existing measures for handling vehicle replacement applications for non-franchised buses/PLBs/PrLBs will remain unchanged after the introduction of the Scheme. The Transport Department (TD) has standing procedures for the replacement of non-franchised buses/PLBs/PrLBs and passenger service licenses. Before scrapping of the old one, vehicle owners should enquire the TD of the proper procedures in advance to avert losing the entitlement of vehicle replacement or any losses incurred. For enquiries, please contact TD's Vehicle Licensing Unit at-

Vehicle type	Telephone
Public bus	2804 2574
Public light bus	2804 2500
Private light bus	2804 2263
Private bus	2804 2450

Registered Vehicle Scrapping Companies (RVSC)

20. Where can vehicle owners obtain the information on RVSCs under the ex-gratia payment scheme to facilitate arrangement for vehicle scrapping?

The latest information on RVSCs has been uploaded to the website of EPD and will be updated regularly. Vehicle owners who arrange to scrap their own vehicles should first check whether the vehicle scrapping companies they have chosen are RVSCs and are still on the RVSC list under the Scheme on the day of scrapping. If their vehicles are scrapped by non-registered vehicle scrapping companies, they are not eligible to apply for ex-gratia payment.

21. Does the Government stipulate the amount of fees to be charged/recycling fees to be provided for scrapping vehicles by RVSCs?

Vehicle owners should agree with RVSCs beforehand all the fees involved such as

1. whether any fees will be charged for scrapping vehicles; and
2. whether recycling fees for old vehicles will be offered to vehicle owners.

All the fees involved in scrapping the vehicles are purely agreement between the vehicle owners and the RVSC and there is no stipulation concerning the aforesaid issues under the Scheme.

22. If an RVSC recorded a wrong date of vehicle scrapping in the Vehicle Scrapping Certificate and/or the application form for ex-gratia payment, for example, mistakenly recorded the date of collection of the vehicle as the date of vehicle scrapping, how should the RVSC/vehicle owner handle such situation?

When a RVSC is filling in the Vehicle Scrapping Certificate and/or the application form for ex-gratia payment, it should carefully check the information of the vehicle (e.g. the date of vehicle scrapping, the chassis number, etc.). If a RVSC knowingly provides any information in the Vehicle Scrapping Certificate which is false in any material particular, it shall be liable to a fine of \$5,000 and imprisonment for 6 months pursuant to section 111(3) of Road Traffic Ordinance.

If a RVSC carelessly fills in wrong information in the Vehicle Scrapping Certificate and/or the application form for ex-gratia payment, the RVSC/the registered vehicle owner should contact the Transport Department (TD) as soon as possible to make clarification or provide supplementary information. The RVSC/the registered vehicle owner shall make an oath/affirmation or a declaration at the Ex-gratia Payment Unit of the Hong Kong Licensing Office (Address: 3/F, United Centre, 95 Queensway, Hong Kong) in the manner specified by TD where necessary, to confirm that the information provided is true and correct.

23. Before scrapping a Euro IV DCV, RVSCs are required to take a photo that shows the vehicle's unique chassis number. What should the vehicle scrapping company/vehicle owner do if the chassis number is damaged?

If the chassis number is damaged, the RVSC should notify the vehicle owner as soon as possible. The vehicle owner is required to approach Transport Department's Driving Licence Records Office (telephone no.: 2594 7879) for verification of the relevant vehicle's chassis number before scrapping the vehicle. The vehicle should only be arranged for scrapping by an RVSC when the verification is completed.

24. Can a Euro IV diesel commercial vehicles (DCV) registered under my name be scrapped by my scrapping yard if I am a RVSC?

If the RVSC is the same legal entity as the owner of a Euro IV DCV, the RVSC is required to make an oath/affirmation or a declaration at the Ex-gratia Payment Unit of the Hong Kong Licensing Office (Address: 3/F, United Centre, 95 Queensway, Hong Kong) in the manner specified by the Transport Department to confirm that the vehicle has been scrapped.