

LCQ14: Promoting switch to electric taxis among taxi trade

Following is a question by the Hon Tang Ka-piu and a written reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (May 4):

Question:

The Government indicated in the 2021 Policy Address that it would actively promote the development of electric commercial vehicles (CVs). However, some members of the taxi trade opine that in respect of taxis, a type of CVs, the Government's efforts on promoting the switch to electric taxis (e-taxis) among the trade were too passive in the past and it did not provide adequate supporting facilities, resulting in a lukewarm response from the trade. In this connection, will the Government inform this Council:

- (1) of the current number of e-taxis in Hong Kong, with a breakdown by type of taxis (i.e. urban, New Territories and Lantau taxis); the percentage of such number in the overall total number of taxis in Hong Kong;
- (2) whether there are dedicated charging facilities for e-taxis at present; if so, of the number of such facilities; if not, whether it will consider providing such supporting facilities; and
- (3) apart from the current full exemption of the first registration tax for electric CVs, of the new measures put in place by the Government to attract the taxi trade to take the initiative to switch to e-taxis?

Reply:

President,

The Environment Bureau in March 2021 announced the Hong Kong Roadmap on Popularisation of Electric Vehicles (EV Roadmap), which charts the way forward for popularising electric vehicles (EVs) and guiding Hong Kong towards its goal of attaining zero vehicular emissions before 2050. Under the EV Roadmap, the Government will proactively promote trials of various electric public transport and commercial vehicles including electric taxis (e-taxis), with a view to mapping out a concrete way forward and timetable in around 2025 for the adoption of these types of EVs.

Regarding the question raised by Hon Tang Ka-piu on promoting e-taxis, our responses are as follows:

- (1) With the rapid development of EV technologies in recent years, a number of vehicle suppliers have introduced or planned to introduce electric private car models with long driving range and quick charging capability. The taxi trade has also started preparing for the use of appropriate EV models as taxis. Although Hong Kong currently has no e-taxis in operation or charging

facilities dedicated for their use, the Government is actively preparing for the promotion of electrification of taxis, which includes encouraging more EV suppliers to introduce e-taxi models that are suitable for use in Hong Kong, setting up an e-taxi charging network, offering financial incentives for switching to e-taxis, etc.

(2) To support the trial and operation of e-taxis, the Government is planning to install in phases no less than 10 dedicated e-taxi quick chargers on Lantau Island and in Sai Kung this year, and is also identifying suitable locations (such as taxi stands) across the territory for setting up more dedicated e-taxi quick chargers. In addition, the Government will reserve space in new public transport interchanges for setting up dedicated e-taxi charging facilities, and is preparing to convert, in the medium to long run, existing petrol filling stations and gas filling stations into quick charging stations for charging various types of vehicles (including e-taxis). We are monitoring closely the latest market development and the views of the trade, with a view to establishing a comprehensive e-taxi charging network.

(3) The Government promotes the use of electric commercial vehicles through offering financial incentives, including full first registration tax waiver. Enterprises are also allowed to claim full profits tax deduction for their capital expenditure on procurement of EVs in the first year after purchase.

Moreover, in March 2011, the Government established the New Energy Transport Fund (NET Fund, previously named Pilot Green Transport Fund) to subsidise the various transport trades, including the taxi trade, to try out and apply green innovative transport technologies. Under the NET Fund, for each new energy vehicle, eligible applicants from the transport trades can receive a subsidy of the price difference between the new energy vehicle and its conventional counterpart or half of the cost of the new energy vehicle, whichever is higher. The NET Fund also subsidises 75 per cent of the cost of the charging facility for the new energy vehicle, including the charger and its installation cost. The total subsidy for each applicant is capped at \$12 million. As at April 21, 2022, the NET Fund approved a total of 256 applications for trials of green innovative transport technologies, with a total amount of subsidy at \$209 million. Among these applications, the trial of four e-taxis was approved early this year. It is expected that the trial will commence by mid-2022.