LCQ20: Phasing out Euro IV and V diesel commercial vehicles

Following is a question by the Hon Frankie Yick and a written reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (October 27):

Ouestion:

To improve roadside air quality, the Government launched the Ex-gratia Payment Scheme for Phasing Out Euro IV Diesel Commercial Vehicles (the Scheme) in October 2020. In this connection, will the Government inform this Council:

- (1) of the respective numbers of applications received and approved by the Government since the launch of the Scheme; the respective percentages of the numbers of diesel commercial vehicles (DCVs) involved in such applications in the total number of eligible vehicles, together with a breakdown by vehicle class and year of first registration;
- (2) given that owners of those Euro IV DCVs which were first registered in 2006 are required to complete the procedure for cancelling their vehicle registration on or before December 31 this year (which is less than three months away from now) in order for them to be eligible for making applications under the Scheme, what measures the Government has put in place to remind such vehicle owners to complete the relevant procedure by the deadline and make applications under the Scheme;
- (3) as some owners of Euro IV DCVs have indicated that since their business has plunged due to the impacts of the coronavirus disease 2019 epidemic, they can hardly afford the expenses on purchasing new vehicles, whether the Government will defer the deadline mentioned in (2) by one year, so that such vehicle owners may replace their vehicles after the business environment has improved; if so, of the details; if not, the reasons for that; and
- (4) whether, in order to further improve roadside air quality, the Government will extend the Scheme to include Euro V DCVs, so as to encourage the vehicle owners concerned to switch as early as possible to Euro VI DCVs with much lower emissions; if so, of the details; if not, the reasons for that?

Reply:

President,

As regards the questions raised by the Hon Frankie Yick, my replies are as follows:

(1) The Government launched the Ex-gratia Payment Scheme for Phasing Out Euro IV Diesel Commercial Vehicles (the Scheme) in October 2020. As at September

this year, around 7 500 applications were received, of which, about 7 200 were approved, accounting for 19 per cent and 18 per cent of the total number of eligible vehicles respectively. Details are at the Annex.

- (2) For Euro IV diesel commercial vehicles (DCVs) first registered in 2006, the Environmental Protection Department has written to all registered owners who have not applied for ex-gratia payments under the Scheme as at end September this year, reminding them that their vehicles have to be scrapped and de-registered on or before December 31 this year in accordance with the specified requirements and procedures, and that their applications for exgratia payment should reach the Transport Department within three months after cancellation of vehicle registration as late applications will not be accepted.
- (3) The Government has widely consulted the transport trade, stakeholders and Panel on Environmental Affairs of the Legislative Council (LegCo) before implementing the Scheme. Besides, the arrangements under the Ex-gratia Payment Scheme for Phasing Out Pre-Euro IV Diesel Commercial Vehicles have been adopted again this time so that the ex-gratia payment is delinked from the purchase of a replacement vehicle by the vehicle owner in order to give the latter more flexibility in choosing whether or not and when to purchase a replacement vehicle (new or second-hand). The final choice of the vehicle owner will depend on his/her individual financial conditions and other relevant factors (such as the economic environment). Both the ex-gratia payment package (including its application deadlines) under the Scheme and the regulation on the timetable for phasing out diesel vehicles have been approved by the LegCo. The Government will continue to run the Scheme in accordance with the approved proposal and keep the overall implementation in view. There is no plan at this moment to change the existing ex-gratia payment package.
- (4) The amount of nitrogen oxides emitted from Euro V DCVs is 40 per cent less than that from Euro IV DCVs. Moreover, as these Euro V DCVs are just about nine years of age or less, the Government has no plan to set a timetable to phase them out.