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Our ref LTA/VR&L/V43.054.000

All Motor Dealers/Importers

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All Electronic Service Agents DID 65535200 Fax 65535329

Dear Sir / Madam

Extension of Carbon Emissions-Based Vehicle Scheme (CEVS) to 31 December 2017 and Introduction of Vehicular Emissions Scheme (VES) from 1 January 2018

I refer to the announcement by the Minister for Environment and Water Resources during the Committee of Supply debates on 8 March 2017, and the press release of 8 March 2017 (see **Attachment**) which was jointly issued by the National Environment Agency (NEA) and the LTA.

Extension of CEVS

The CEVS for cars and taxis will be extended by 6 months to 31 December 2017. The existing CEVS banding and rebate/surcharge rates remain the same.

To qualify for the CEVS, cars/taxis (including newly imported used cars) must be registered on or before 31 December 2017.

Introduction of VES

From 1 January 2018, the VES will replace the CEVS. VES banding and rebate/surcharge rates will apply to all cars and taxis (including newly imported used cars) registered between 1 January 2018 and 31 December 2019 (both dates inclusive).

For 'Save-as-Draft' registration applications for cars and taxis created in the LTALink System before 1 January 2018 but the registration is confirmed on or after 1 January 2018, the relevant VES banding and rebate/surcharge rates shall apply.

LTA's Vehicle Approval & Control Division will provide details on the VITAS procedures for vehicle approval under the VES at a later stage.



Please bring the contents of this circular to the attention of your members and staff accordingly. Please call our Customer Service hotline on 1800-CALL LTA (1800-2255 582) if you have any questions. Thank you.

Yours faithfully

Ng Lay Choo (Ms) Deputy Director VRL Service Operations Division

Vehicle Services Group







JOINT MEDIA RELEASE

New Vehicular Emissions Scheme to Replace Carbon-Based Emissions Vehicle Scheme from 1 January 2018

New scheme will cover four more pollutants to reduce harmful vehicular emissions

Singapore, 8 March 2017 – As announced at the Ministry of the Environment and Water Resources (MEWR)'s 2017 Committee of Supply Debate, NEA will introduce the Vehicular Emissions Scheme (VES) to replace the Carbon Emissions-Based Vehicle Scheme (CEVS) for all new cars, taxis and newly imported used cars with effect from 1 January 2018.

- In addition to the carbon dioxide (CO_2) criterion in the existing CEVS, the VES will cover 4 other pollutants hydrocarbons (HC), carbon monoxide (CO), nitrogen oxides (NO_x) and particulate matter (PM).
- The rebates and surcharges for the respective VES bands are shown in <u>Table 1</u>:

Table 1: VES Banding Rebates and Surcharges

Bands	CO ₂ (g/km)	HC (g/km)	CO (g/km)	NO _x (g/km)	PM (mg/km)	surcharge(-/+)	Rebate/ surcharge(-/+) for taxis (\$)
A1	A1 ≤90	A1 ≤0.020	A1 ≤0.150	A1 ≤0.007	A1 =0.0	-20,000	-30,000
A2	90< A2 ≤125	0.020< A2 ≤0.036	0.150< A2 ≤0.190	0.007< A2 ≤0.013	0.0< A2 ≤0.3	-10,000	-15,000
В	125< B ≤160	0.036< B ≤0.052	0.190< B ≤0.270	0.013< B ≤0.024	0.3< B ≤0.5	0	0
C1	160< C1 ≤185	0.052< C1 ≤0.075	0.270< C1 ≤0.350	0.024< C1 ≤0.030	0.5< C1 ≤2.0	+10,000	+15,000
C2	C2 >185	C2 >0.075	C2 >0.350	C2 >0.030	C2 >2.0	+20,000	+30,000



- The VES rebate¹ or surcharge for a car or taxi will be determined by its worst-performing pollutant. This is to encourage buyers to choose models that have lower emissions across all criteria and are cleaner overall, so as to further improve ambient air quality and thereby improve public health² (refer to **Annex A** for Singapore's air quality targets).
- 5 Similar to the existing CEVS, the rebate and surcharge for taxis under the VES will be 50 per cent higher to better encourage taxi companies to adopt lower emission models for their fleets, as taxis generally clock higher mileage than cars.
- To account for the CO₂ emissions produced by electricity generation from fossil fuels, an emission factor will be applied to the electricity consumption of electric vehicles (EVs) and plug-in hybrid vehicles (PHEVs) as measured under the United Nations Economic Commission for Europe (UNECE) Regulation No.101 test procedures.
- 7 The VES will be applicable for all cars and taxis registered from 1 January 2018 to 31 December 2019. The scheme will be reviewed regularly and take into consideration its impact on motorists' purchasing decisions, technological advances in vehicles and the progress of Singapore's overall mitigation efforts on climate change and air pollution.

Extension of the current CEVS

8 CEVS was introduced in 2013 to encourage the purchase of low carbon emission vehicles, and it was revised in 2015. The average CO₂ emissions of new cars and taxis have decreased by 15 per cent since the start of CEVS. The existing CEVS, which is due to expire on 30 June 2017, will be extended to 31 December 2017 to give the vehicle dealers more time to prepare for the new scheme and import cleaner vehicle models.

Enhancements to the Fuel Economy Labelling Scheme (FELS)

9 To help potential vehicle buyers make informed decisions, fuel economy labels will be re-designed to include information on each vehicle's VES band. The new label will need to be affixed on showroom cars displayed for sale when the VES is implemented from 1 January 2018.

- End -

¹ The Preferential Additional Registration Fee (PARF) is calculated based on the ARF paid after accounting for the VES rebate. The VES rebate is subject to a minimum ARF payable of \$5,000.

 $^{^2}$ Long-term exposure to PM is associated with decreased lung function, development of chronic bronchitis, stroke and premature death. In addition to increasing the risk of respiratory infection and impairment of lung functions in asthmatics, HC and NO $_{\rm x}$ are also precursors to ozone; excessive ozone can also impair respiratory functions. CO reduces the amount of oxygen that can be transported in the blood stream to critical organs like the heart and brain. Singapore currently does not meet its 2020 air quality targets for PM10, PM2.5 and ozone.



About National Environment Agency:

Formed on 1 July 2002, the National Environment Agency (NEA) is the leading public organisation responsible for improving and sustaining a clean and green environment in Singapore. The NEA develops and spearheads environmental initiatives and programmes through its partnership with the People, Public and Private sectors. It is committed to motivating every individual to take up environmental ownership and to care for the environment as a way of life.

By protecting Singapore's resources from pollution, maintaining a high level of public health and providing timely meteorological information, the NEA endeavours to ensure sustainable development and a quality living environment for present and future generations.

About Land Transport Authority:

The Land Transport Authority (LTA) is a statutory board under the Ministry of Transport of Singapore. LTA plans the long-term transport needs of and spearheads land transport developments for our city-state. While serving commuters by providing an integrated and user-friendly transport system, LTA addresses wider issues such as sustainable development, economic growth, and community life. We also work with leading companies to develop innovative transport solutions, and make Singapore's transport system greener, cleaner, and more people-centred.



ANNEX A

Singapore Air Quality Targets and Climate Change Goals

Table A-1: Singapore's Ambient Air Quality Targets

Pollutant	Singapore Targets by 2020	Long Term Targets		
Sulphur	Annual mean: 15μg/m³			
Dioxide	(Sustainable Singapore Blueprint			
(SO ₂)	target)			
	50 / 3			
	24-hour mean: 50μg/m ³	24-hour mean: 20μg/m ³		
	(WHO Interim Target)	(WHO Final)		
Particulate	Annual mean: 12μg/m³	Annual mean: 10μg/m³		
Matter	(Sustainable Singapore Blueprint	(WHO Final)		
(PM _{2.5})	target) ³	,		
	24-hour mean*: 37.5μg/m ³	24-hour mean*: 25μg/m³		
	(WHO Interim Target)	(WHO Final)		
Particulate	Annual mean: 20μg/m³	(WHO Final)		
Matter	24-hour mean*: 50µg/n	,		
(PM ₁₀)		,		
Ozone	8-hour mean ^{&} : 100μg/r	n ³ (WHO Final)		
Nitrogen	Annual mean: 40μg/m ³	(WHO Final)		
Dioxide	1-hour mean: 200μg/m			
(NO ₂)		,		
Carbon	8-hour mean: 10mg/m ³	3 (WHO Final)		
Monoxide	1-hour mean: 30mg/m ³	3 (WHO Final)		
(CO)				

^{* 99}th Percentile

[&]amp; Daily Maximum

 $^{^3}$ Sustainable Singapore Blueprint annual target for $PM_{2.5}\,of\,12\mu g/m^3\,will$ be retained and aligned with WHO Interim Target of 37.5 $\mu g/m^3$ for 24-hour mean.