

10 Sin Ming Drive Singapore 575701

21 April 2023

All Motor Vehicle Dealers/Importers

All Electronic Service Agents

Our ref VRL/06/2023
LTA/VR/V43.046.001

Your ref
DID

Fax 65535329

Dear Sir/Madam

New Category D Certificate of Entitlement (COE) Measures

To improve allocative efficiency, the following changes will be made:

- With effect from the May 2023 1st COE bidding exercise (taking place from 2 to 4 May 2023) onwards, the Category D bid deposit will be adjusted from \$800 to \$1,500;
- The validity period for Category D Temporary Certificates of Entitlement (TCOEs) obtained from the May 2023 1st COE bidding exercise onwards will be adjusted from 3 months to 1 month; and
- Expired Category D TCOEs will be returned for bidding earlier than the current practice of the next quarter.

Please see LTA's news release of 21 April 2023 (see **Annex**) for details.

Category D TCOEs that have already been obtained before the May 2023 1st COE bidding exercise (and from the March 2022 2nd COE bidding exercise onwards) will not be affected; that is, the bid deposit remains at \$800 and the TCOE validity period remains at 3 months.

The abovementioned changes do not apply to other COE categories.

Please bring the contents of this circular to the attention of your members and staff accordingly. Thank you.

Yours sincerely



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Deputy Director

Vehicle Quota & Registration Division

Vehicle Services Group

News Release



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Certificate of Entitlement (COEs) Quota for May 2023 to July 2023 and New Category D COEs Measures

COE Quota for May 2023 to July 2023

1. The Certificate of Entitlement (COE) quota for May 2023 to July 2023 will be **9,575**. Details of the quota for each COE category are in [Annex A](#). Bidding under this quota will start on 2 May 2023.
2. The COE quota consists of the following components:
 - a. 25% of the replacement COEs from vehicles deregistered in the twelve-month period from April 2022 to March 2023;
 - b. Provision for 0.25% per annum growth for Category C based on the Category C vehicle population as at 31 December 2022; and
 - c. Adjustments for changes in the taxi population, expired COEs, and alignment of the treatment of de-registered COEs and registrations under the Early Turnover Scheme¹ for commercial vehicles.
3. The next quota announcement for the bidding period of August 2023 to October 2023 will be made in July 2023.

New Category D COE Measures

4. From January to March 2023, 457 Category D Temporary COEs (TCOEs) expired without being used for registration of motorcycles and were forfeited. These will be returned for bidding in the upcoming bidding exercises from May to July 2023.
5. To improve allocative efficiency, we will be making the following changes from the first COE bidding exercise in May 2023 (taking place from 2 to 4 May 2023) and apply to TCOEs obtained from this exercise onwards:
 - a. bid deposit will be adjusted from \$800 to \$1,500;

¹ Both will now be based on the rolling average of the number of vehicles registered over the previous four quarters

- b. TCOE validity period will be adjusted from 3 months to 1 month, with expired COEs being returned for bidding earlier than the current practice of the next quarter.

Annex A: Monthly COE Quota for May 2023 to July 2023

MONTHLY COE QUOTA FOR MAY 2023 TO JUL 2023

VEHICLE CATEGORY		CATEGORY A	CATEGORY B	CATEGORY C	CATEGORY D	CATEGORY E	TOTAL
		Non-fully electric cars with engines up to 1,600cc and Maximum Power Output (MPO) up to 97kW; and fully electric cars with MPO up to 110kW	Non-fully electric cars with engines above 1,600cc or MPO above 97kW; and fully electric cars with MPO above 110kW	Goods Vehicles & Buses	Motorcycles	Open (All except motorcycles)	
A1)	Vehicle Population As at 31 Dec 2022	321,840	328,368	154,376	142,404	0	946,988
A2)	Net Increase allowed per quarter [Cat C Only] [0.25% x vehicle population / 4] ^(a)	0	0	96	0	0 ^(b)	96
(A)	Increase in Vehicle Population	0	0	96	0	0	96
B1)	Total vehicle deregistrations from Apr 2022 to Mar 2023	12,430	10,488	9,674	11,190	0	43,782
B2)	25% of total vehicle deregistrations from Apr 2022 to Mar 2023 ^(c)	3,107	2,622	2,419	2,798	0	10,946
B3)	Contribution of deregistrations to Category E (10% of B2) ^(d)	-310	-262	-241	0 ^(e)	813	0
(B)	Replacements of Deregistered Vehicles	2,797	2,360	2,178	2,798	813	10,946
C1)	Adjustments for change in taxi population ^(f)	0	0	0	0	138	138
C2)	Registrations under Early Turnover Scheme ^(g)	0	0	-1,863	0	-207	-2,070
C3)	Expired COEs ^(h)	1	7	0	457 ⁽ⁱ⁾	0	465
(C)	Adjustments	1	7	-1,863	457	-69	-1,467
Total Quota for May 2023 to Jul 2023 Bidding Exercises (A + B + C)		2,798	2,367	411	3,255	744	9,575
Average Monthly Quota for May 2023 to Jul 2023 Bidding Exercises		932	789	137	1,085	248	3,191
Average Monthly Quota for Feb 2023 to Apr 2023 Bidding Exercises		1,010	860	86	929	259	3,144

Notes:

- (a) The vehicle growth rate from Feb 2018 has been set at 0% per annum for Cat A, B and D, while that of Cat C will remain at 0.25% per annum. This will remain in place until Jan 2025.
- (b) Taxis were moved from Cat A to Cat E from 6 Aug 2012. With the car population growth rate set at zero, the growth rate of Cat E COEs for the taxi population is also set at zero.
- (c) From Feb 2023, the number of COEs available for bidding in each quarter is the rolling average of deregistrations in the previous four quarters.
- (d) From May 2017, Cat E receives 10% of the deregistrations from Cat A, B and C.
- (e) From May 2017, Cat D deregistrations no longer contribute to Cat E.
- (f) COEs for new taxi registrations are drawn from Cat E and are deducted from the total number of Cat E COEs, net of deregistrations in the same period. Adjustments are made every six months. Over the six-month period from 1 Jul 2022 to 31 Dec 2022, 251 taxis were registered and 526 taxis were deregistered. Therefore, a net addition of $(526 - 251 = 275)$ is made to the Cat E quota over the subsequent two quarters from Feb 2023 to Apr 2023 and May 2023 to Jul 2023.
- (g) From May 2023, the deduction for ETS registrations will be the rolling average of ETS registrations in the previous four quarters.
- (h) Refers to COEs that were successfully secured by bidders but were not utilised during their validity period, which expired between Jan 2023 to Mar 2023.
- (i) Cat D COEs issued from 1st bidding exercise of May 2023 (inclusive), will be returned for bidding earlier than the current practice of the next quarter.