10 Sin Ming Drive Singapore 575701 www.lta.gov.sg

20 September 2024

Our ref VRL/13/2024 LTA/VR&L/V43.054.000

All Motor Vehicle Dealers / Importers

All Electronic Service Agents

Dear Sir / Madam

EXTENSION OF THE ELECTRIC VEHICLE EARLY ADOPTION INCENTIVE ("EEAI") AND ADJUSTMENT TO THE VEHICULAR EMISSIONS SCHEME ("VES")

1. We refer to the joint news release issued by the National Environment Agency ("NEA") and the Land Transport Authority ("LTA") on 20 September 2024 (see **Appendix A**).

EEAI

2. The EEAI rebate will remain unchanged for electric cars and taxis in Year 2025 i.e., rebate of 45% off the Additional Registration Fee ("ARF"), subject to a cap of \$15,000. The \$0 ARF floor for electric cars and taxis, will also be extended to 31 December 2025.

VES

3. From 1 January 2025 to 31 December 2025, the VES Band A1 rebate for cars and taxis will remain at \$25,000 and \$37,500 respectively, while the VES Band A2 rebates for cars and taxis will be lowered to \$2,500 and \$3,750 respectively.

Please refer to details on the EEAI and VES in **Table 1** below.

Scheme		isting o 31 December 2024)	New (1 January 2025 to 31 December 2025)			
EEAI		off ARF, at \$15,000	No Change			
	\$0 ARF floor for a	electric cars and taxis				
VES	Cars	Taxis	Cars	Taxis		
	Band A1, 25,000 Rebate	Band A1, \$37,500 Rebate	Band A1, \$25,000 Rebate	Band A1, \$37,500 Rebate		
	Band A2, \$5,000 Rebate	Band A2, \$7,500 Rebate	Band A2, \$2,500 Rebate (New)	Band A2, \$3,750 Rebate (New)		
	Band B, \$0 Rebate/Surcharge	Band B, \$0 Rebate/Surcharge	Band B, \$0 Rebate/Surcharge	Band B, \$0 Rebate/Surcharge		
	Band C1, \$15,000 Surcharge	Band C1, \$22,500 Surcharge	Band C1, \$15,000 Surcharge	Band C1, \$22,500 Surcharge		
	Band C2, \$25,000 Surcharge	Band C2, \$37,500 Surcharge	Band C2, \$25,000 Surcharge	Band C2, \$37,500 Surcharge		

Table 1: Existing and New EEAI and VES Parameters

VES Label

4. A new VES label will replace the existing VES labels that will **expire on 31 December 2024**. The new label will be available for download by 31 December 2024. Please be reminded that all new cars that are subject to the fuel economy and vehicular emissions requirements must be affixed with the new VES labels on their front windscreen when they are displayed for sale from **1 January 2025**.

5. If the car that is displayed within/outside of the showroom or at public event/venue (such as at a road show and in a pop-up store) is not meant for sale (e.g. for storage purposes, pending LTA's approval or awaiting delivery to customers, and hence does not have the requisite VES label), a "NOT FOR SALE" signage must be displayed prominently on the windscreen of the car. Otherwise, the car should be kept out of the public's view (e.g. covered up). Please do not display both "NOT FOR SALE" signage and VES label on the same car as this would confuse potential car buyers.

Requirements on Printed Promotional Materials

6. All printed promotional materials meant for distribution such as newspaper advertisements, sales brochures and handouts used for marketing, advertising or promotion of any new and imported used passenger car for sale locally shall include the following information:

- a. The fuel consumption in litres per 100 kilometres (l/100km) or electric energy consumption in kilowatt hours per 100 kilometres (kWh/100km), or both (where applicable) for the combined driving cycle of the car; and
- b. VES banding (i.e. A1, A2, B, C1, C2) of the car.

7. Promotional materials in digital formats and online platforms such as websites are not subject to the above requirements. However, motor dealers are encouraged to include the fuel economy and vehicular emissions information of their cars in the digital promotional materials and online platforms to allow car buyers to make more informed decisions in shifting to cars with lower emissions.

8. You may also wish to note that for electric and plug-in hybrid passenger cars/taxis, the Emission Factor used to account for the CO_2 emissions produced for every unit of electricity generated from the burning of fossil fuels at the power stations in Singapore will remain unchanged at 0.4g CO₂/Wh of electricity till **31 December 2025**.

9. Please inform your members of the above. For enquiries or assistance, you may contact us from 8.30am to 5pm, Monday to Friday, except public holidays, as follows:

EEAI, VES Rebates	DID: 6553 5212		
VES Label	DID: 6553 5164 (Garlice Kwek)		
	DID: 6553 5700 (Neo Aik Hing)		

You may also send your queries via our online contact form at lta.gov.sg/feedback.

10. Thank you.

Yours sincerely

Neu Siew Lay Deputy Director Vehicle Quota & Registration Division Vehicle Services Group



Appendix A

Joint News Release



National Environment Agency Safeguard - Nurture - Cherish

Date of Issue: 20 September 2024

Sustained Government Support for Singapore's Transition to Cleaner Energy Vehicles

- EEAI and VES Band A1 rebates maintained to support adoption of electric cars - VES Band A2 rebate adjusted

To support the vision of 100% cleaner energy vehicles by 2040, the Land Transport Authority (LTA) and the National Environment Agency (NEA) will continue to incentivise the adoption of cleaner energy vehicles from 1 January 2025 to 31 December 2025, with an emphasis on electric vehicles.

2 The LTA will maintain the existing EV Early Adoption Incentive (EEAI) quantum. Owners who register electric cars and taxis in 2025 will continue to receive a rebate of 45% off the Additional Registration Fee (ARF), capped at \$15,000. The \$0 Additional Registration Fee (ARF) floor for electric cars and taxis will also be extended till 31 December 2025.

3 The NEA will maintain the Vehicular Emissions Scheme¹ (VES) Band A1 rebate quantum for cars and taxis. The VES Band A1 rebate, which applies to most electric cars, will remain at \$25,000. The VES Band A2 rebate, which applies mainly to hybrid cars, will be lowered from \$5,000 to \$2,500. Details are in **Annex A**.

4 With the revised VES rebates in effect and the continuation of the EEAI, buyers will continue to enjoy combined cost savings of up to \$40,000 off the ARF for electric cars in the said period. Most electric car models will enjoy the same level of rebates as today. Please refer to **Annex B** for an illustration of the revised rebates for different EV models.

5 Both the EEAI and the VES work in tandem to reduce the cost gap between cleaner energy cars (including electric and hybrid cars) and Internal Combustion Engine (ICE) cars, and have helped to boost adoption of cleaner energy cars. Cleaner energy car registration has increased to around 80% of all new car registrations between January 2024 and August 2024. Specifically, new electric car registration in the same period accounted for around one-third of all new car registrations. Since 2021, about 20,000 electric cars and taxis have benefitted from the VES rebates and/or EEAI.

¹ The emissions factor (EF) for electric and plug-in hybrid cars will remain unchanged at 0.4g CO2/Wh of electricity till 31 December 2025.

6 For more information on the EEAI or VES, please visit https://onemotoring.lta.gov.sg/content/onemotoring/home/buying/upfront-vehicle-costs/tax-structure.html.

ANNEX A – Revised Vehicular Emissions Scheme Rebates **ANNEX B** – Illustration of Updated EV Early Adoption Incentive and Vehicular Emissions Scheme for Different Electric Car models

About the Land Transport Authority

The Land Transport Authority (LTA) is a statutory board under the Ministry of Transport, which spearheads land transport developments in Singapore. As the agency responsible for planning, designing, building and maintaining Singapore's land transport infrastructure and systems, we aim to bring about a greener and more inclusive public transport system, complemented by convenient options to walk and cycle from their homes or to their destinations. We leverage technology to strengthen our rail and bus infrastructure and provide exciting options for future land transport. For more information, please visit the website at <u>www.lta.gov.sg</u>.

About the National Environment Agency

The National Environment Agency (NEA) is the leading public organisation responsible for ensuring a clean and sustainable environment for Singapore. Its key roles are to improve and sustain a clean environment, promote sustainability and resource efficiency, maintain high public health standards, provide timely and reliable meteorological information, and encourage a vibrant hawker culture. NEA works closely with its partners and the community to develop and spearhead environmental and public health initiatives and programmes. It is committed to motivating every individual to care for the environment as a way of life, in order to build a liveable and sustainable Singapore for present and future generations.

For more information, visit <u>www.nea.gov.sg</u>

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ANNEX A

Revised Vehicular Emissions Scheme (VES) Rebates

VES Schedule from 1 January to 31 December 2025 (changes in red)

Band	Rebate/Surcharge (-/+) for Cars	Rebate/Surcharge (-/+) for Taxis
A1	-\$25,000	-\$37,500
A2	-\$2,500	-\$3,750
В	-	-
C1	+\$15,000	+\$22,500
C2	+\$25,000	+\$37,500

VES Pollutant Thresholds from 1 January 2024 to 31 December 2025

Band	VES Pollutant Thresholds						
	Carbon Dioxide (g/km)	Hydro- carbons (g/km)	Carbon Monoxide (g/km)	Nitrogen Oxides (g/km)	Particulate Matter (mg/km)		
A1	≤90	=0	=0	=0	=0.0		
A2	≤120	≤0.024	≤0.19	≤0.009	≤0.3		
В	≤159	≤0.029	≤0.27	≤0.018	≤0.4		
C1	≤182	≤0.040	≤0.35	≤0.022	≤1.0		
C2	>182	>0.040	>0.35	>0.022	>1.0		



ANNEX B

Illustration of Updated EV Early Adoption Incentive and Vehicular Emissions Scheme Rebates for Different Electric Car Models

Model	Ddel BYD Atto 3 Extended Range		Tesla Model 3 RWD		BMW IX3 (BEV)		Mercedes EQE 300 SUV	
			110kW		INSPIRING ALED SR		EA LN, RAS	
VES Banding	A1		A1		A1		A2	
(A) Open Market			\$47,647		\$58,767		\$77,689	
Value ²								
(B) ARF payable	\$39,600		\$62,529		\$83,657		\$130,223	
before	before							
applying								
rebates								
(C) VES Rebates	Existing	Revised	Existing	Revised	Existing	Revised	Existing	Revised
	-\$25,000	-\$25,000 (no change)	-\$25,000	-\$25,000 (no change)	-\$25,000	-\$25,000 (no change)	-\$5,000	-\$2,500
(D) EEAI	-\$14,600	-\$14,600 (no change)	-\$15,000	-\$15,000 (no change)	-\$15,000	-\$15,000 (no change)	-\$15,000	-\$15,000 (no change)
(E) ARF payable after rebates [i.e. B+C+D]	\$0	\$0 (no change)	\$22,529	\$22,529 (no change)	\$43,657	\$43,657 (no change)	\$110,223	\$112,723

² Data as of August 2024