

Global efforts to Promote Cleaner Used Vehicles

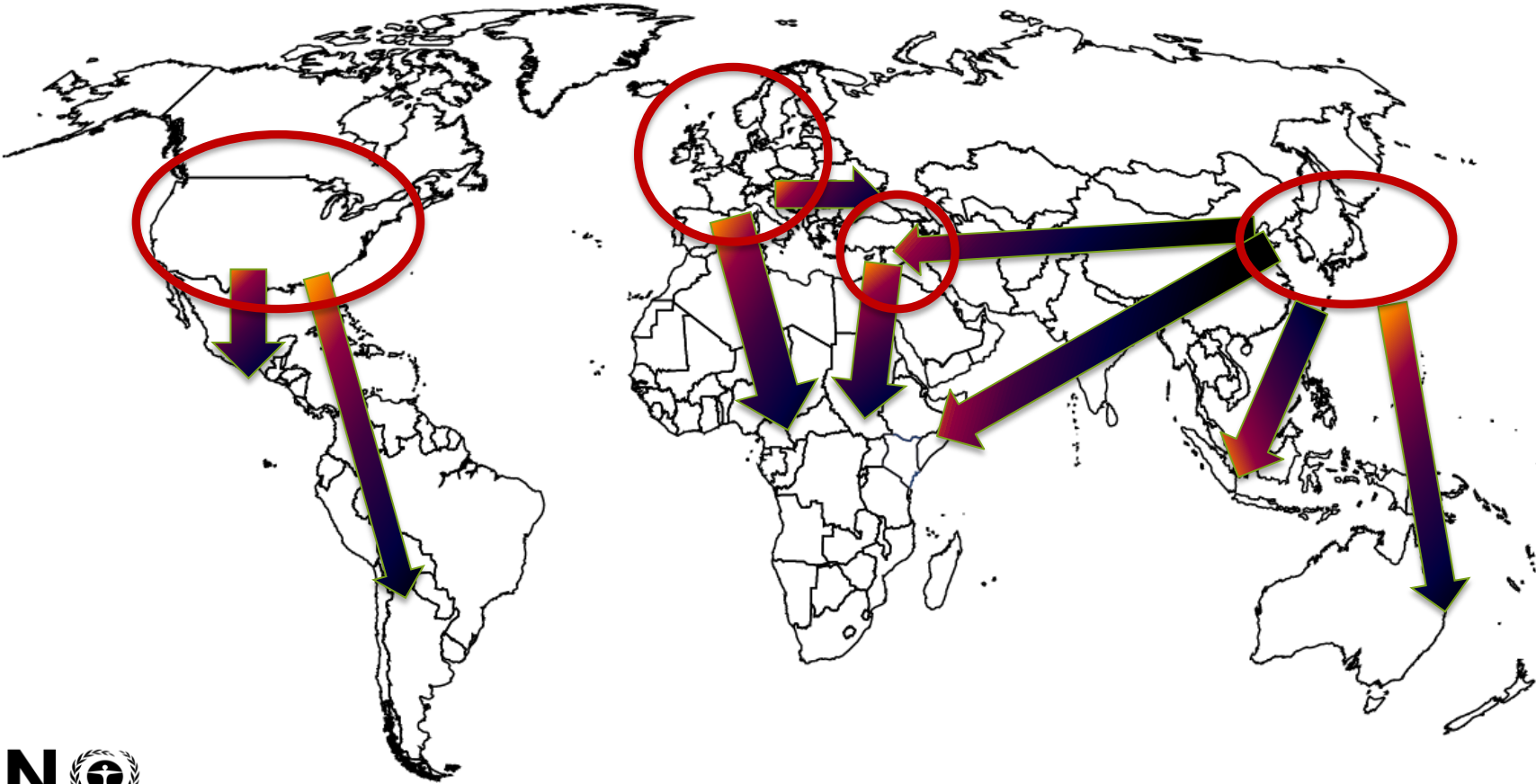


Rob de Jong, Head Transport Unit, UN Environment

Introduction

- Vehicle fleet to increase, especially in developing countries
- Demand for used vehicles – incl. used cars
- Key air quality and climate issue
- Sometimes environmental dumping (but also sometimes better than new....)
- Used vehicles help with leapfrog to affordable clean technology
- What policies are there in place to achieve this?

Used Vehicles Flows



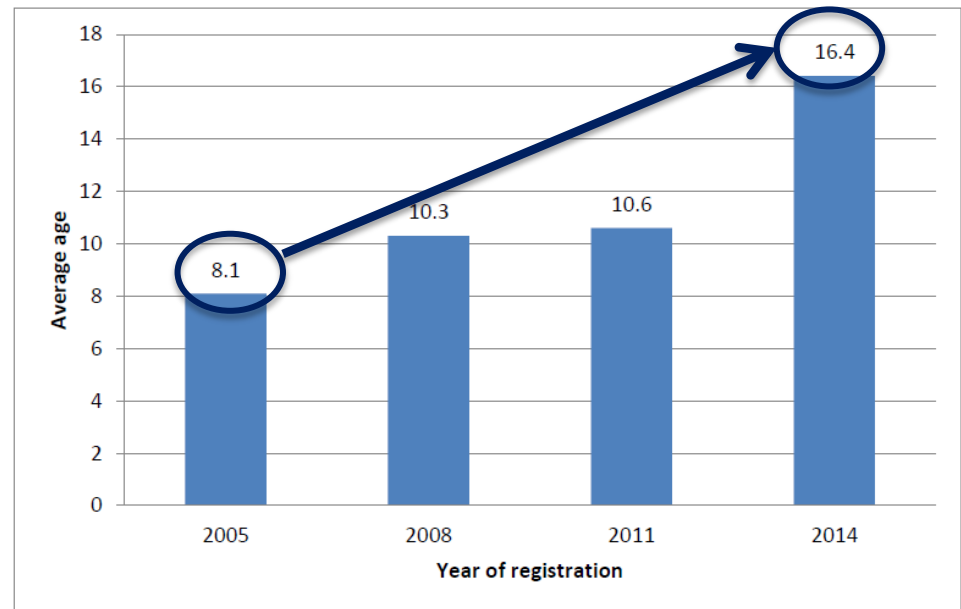
Case Study - Uganda

- Used vehicles imports - increasing
- Average Age - increasing
- Emissions - increasing

Uganda – Average LDV Fuel Economy
liters per 100km

2005	12.5	~10% decrease
2014	13.7	

Year of Registration	DIESEL				PETROL			
	New	Old	Used	New as % of total	New	Old	Used	New as % of total
2000	533	254	787	67.7	295	367	662	44.6
2001	676	391	1,067	63.4	297	502	799	37.2
2002	788	520	1,308	60.2	252	634	886	28.4
2003	850	678	1,528	55.6	268	769	1,037	25.8
2004	973	942	1,915	50.8	345	1,245	1,590	21.7
2005	1,042	1,227	2,269	45.9	392	2,071	2,463	15.9
2006	1,218	1,543	2,761	44.1	379	2,308	2,687	14.1
2007	1,540	2,306	3,846	40.0	474	3,557	4,031	11.8
2008	1,723	3,034	4,757	36.2	434	4,449	4,883	8.9
2009	1,510	3,354	4,864	31.0	380	5,007	5,387	7.1
2010	1,476	3,632	5,108	28.9	399	6,939	7,338	5.4
2011	2,507	3,274	5,781	43.4	350	7,404	7,754	4.5
2012	3,206	5,029	8,235	38.9	578	13,624	14,202	4.1
2013	4,848	12,620	17,468	27.8	967	28,770	29,737	3.3
2014	5,881	18,176	24,057	24.4	1,094	39,408	40,499	2.7
Total	28771	56980	85751		6904	117051	123955	



Source: Computations based on combined dataset (URA e-tax dataset and MoW&T dataset)

Global Efforts to Promote Cleaner Used Vehicles

What are countries doing to promote cleaner used vehicles?



Policies on Used Vehicles

- Vehicle standards
- Banning used vehicle imports
- Age restrictions
- Fiscal incentives
- Export restrictions

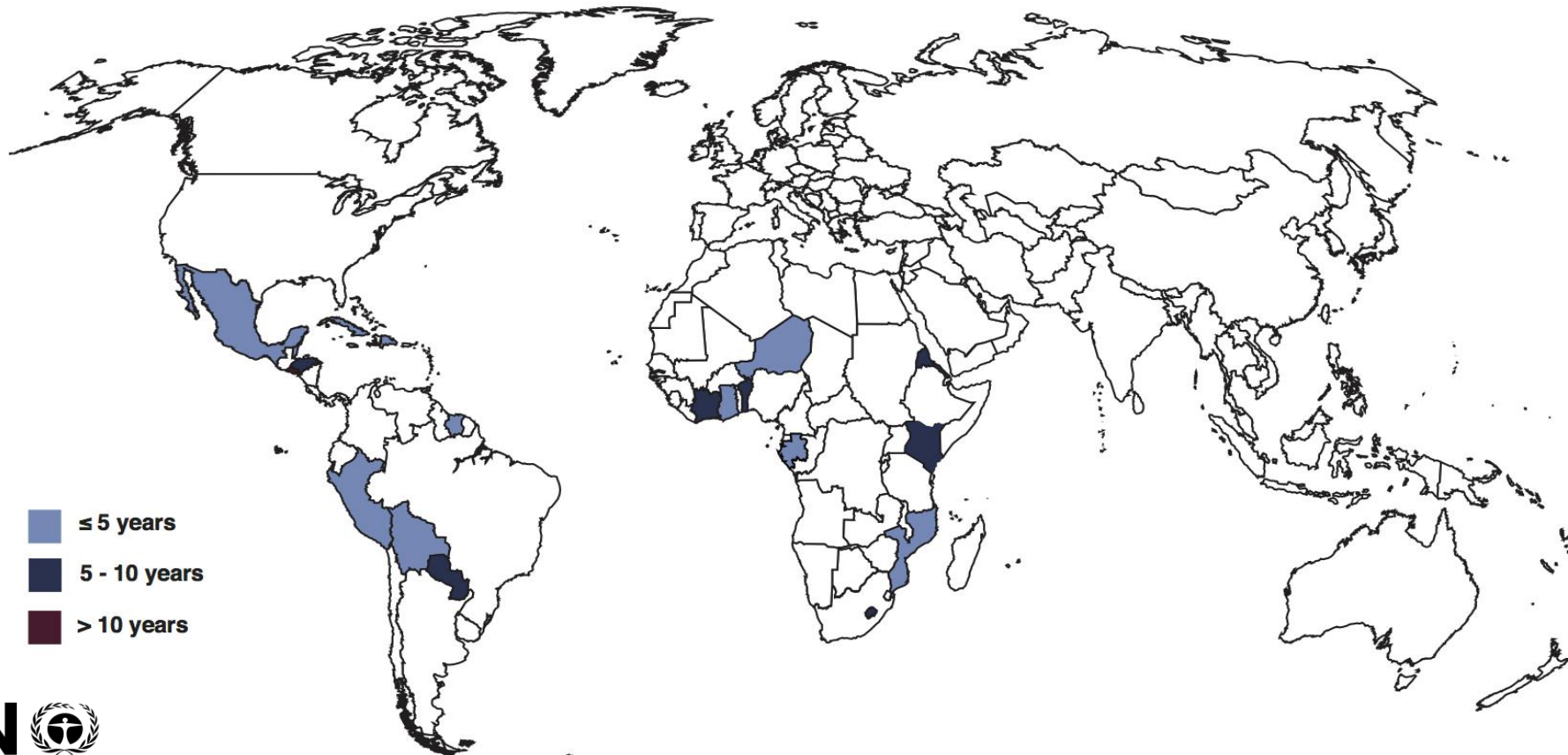


Aged-based policies



Age-Based Used Vehicle Import Policy

February 2017

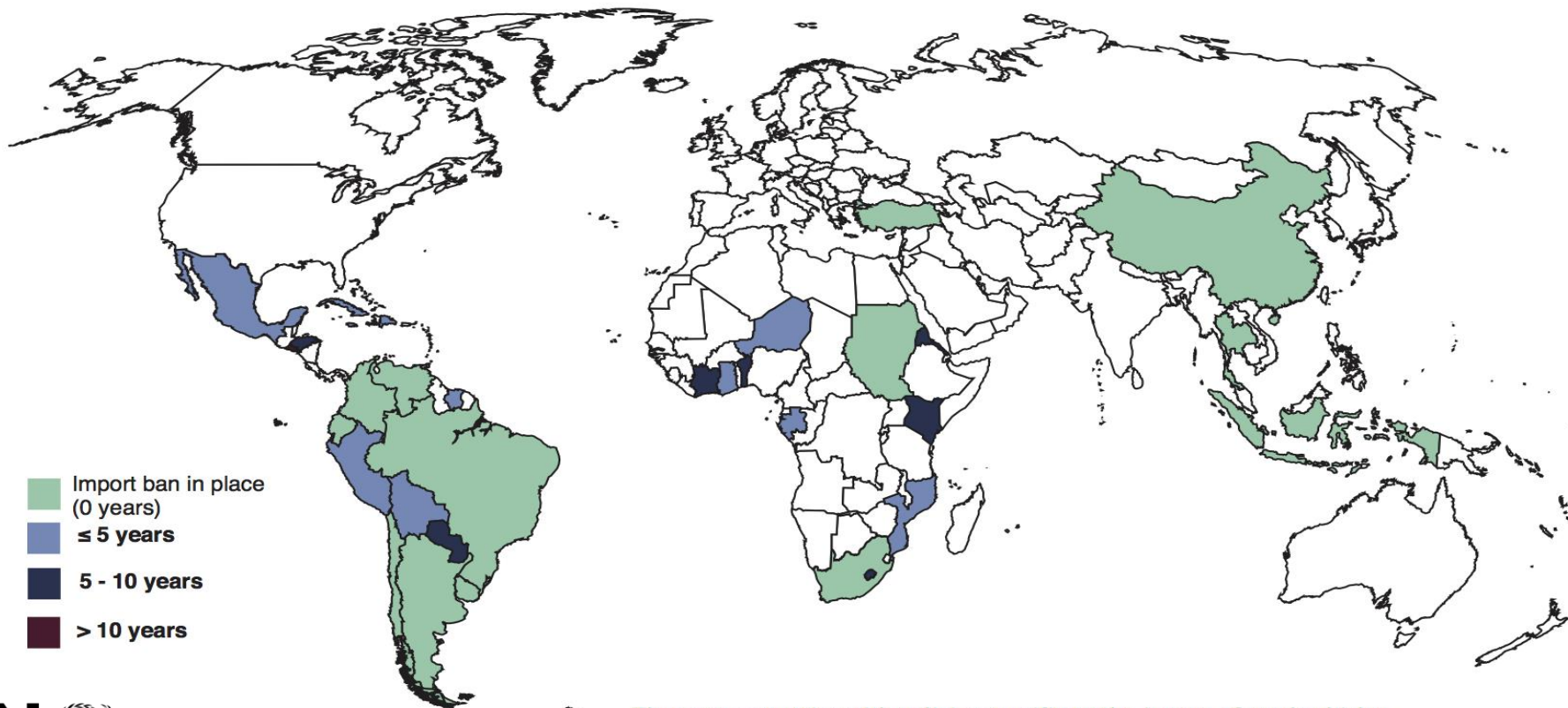


Bans & Age Together



National Used Vehicle Import Ban & Age-Based Vehicle Import Restriction

February 2017



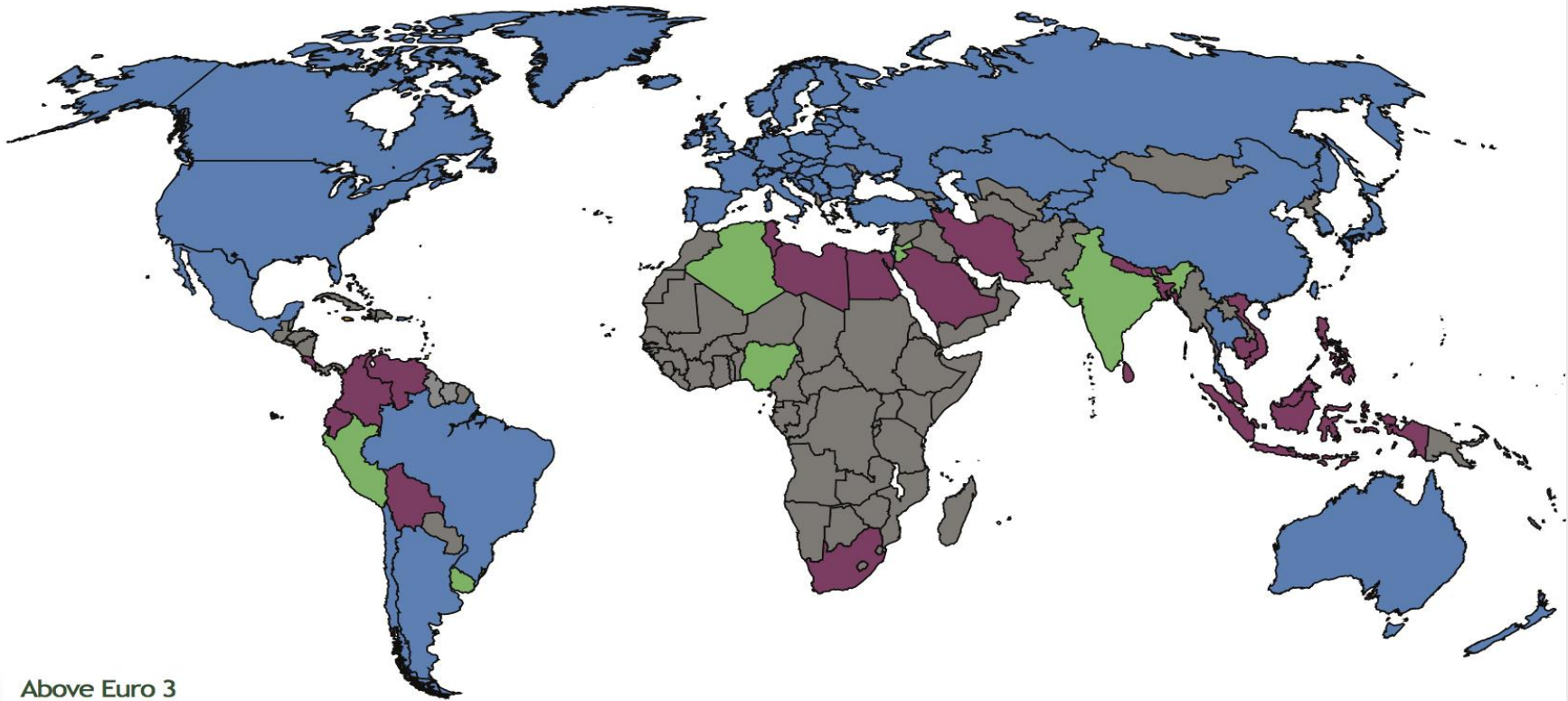
- Import ban in place (0 years)
- ≤ 5 years
- 5 - 10 years
- > 10 years

These are countries with policies specific to the import of used vehicles. For more details see www.unep.org/Transport

Vehicles Emissions Standards



Light-Duty Vehicle Emissions Standards February 2017



- Above Euro 3
- Euro 3
- Below Euro 3
- No Policy/Unknown
- Unknown



Policies – tax incentives

The following 9 countries have specific taxation policies for used vehicles imports:

- Barbados
- Cayman Islands
- Dominica
- St Kitts and Nevis
- The Gambia
- Uganda
- Armenia
- Georgia
- Moldova

(many more have tax policies for new & used together)

Export Restrictions

- Are there any exporting countries regulating what cars can, and can not, be exported?
- Is this an issue under the Basel Convention? Bamako Convention?
Dirty fuels are now considered to fall under these Conventions



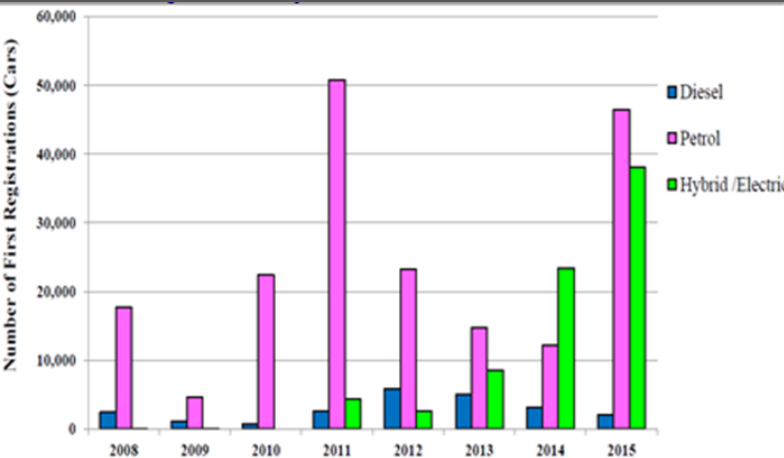
Example - Uganda

- Environmental levies on import of used vehicles

Pre July 2015		Post July 2015	
0-8 yrs	0%	<5 yrs	0%
>8 yrs	20%	5-10 yrs	35%
		>10yrs	50%

Example - Sri Lanka

- Using financial incentives to leap frog to clean technologies



	Present						Cumulative		
	CD	PAL	Excise	VAT	NBT	Cess	Total	Excise	Total
Petrol Car									
Golf Cars									
Less than 1,000 CC	25%	5%	45%	12%	2%	0%	124%	100%	115%
1,000 - 1,599 cc	25%	5%	92%	12%	2%	0%	202%	150%	173%
1,600 cc - 1,999 cc	25%	5%	92%	12%	2%	0%	202%	150%	173%
2,000 cc - 2,999cc	25%	5%	122%	12%	2%	0%	251%	200%	230%
Exceeding 3,000 cc	25%	5%	137%	12%	2%	0%	276%	220%	253%
Diesel - Car									
Less than 1,600 CC	25%	5%	122%	12%	2%	0%	251%	200%	230%
1,600 CC - 2,000 CC	25%	5%	137%	12%	2%	0%	276%	220%	253%
2,000 CC - 2,500 CC	25%	5%	152%	12%	2%	0%	301%	240%	276%
Exceeding 2,500 CC	25%	5%	183%	12%	2%	0%	352%	300%	345%
Hybrid Petrol Car									
Less than 1,000 CC	15%	5%	14%	12%	2%	0%	60%	50%	58%
1,000 - 1,599 CC	15%	5%	14%	12%	2%	0%	59.75%	50%	57.50%
1,600 cc - 1,999 cc	15%	5%	14%	12%	2%	0%	60%	50%	58%
2,000 cc - 2,999cc	15%	5%	40%	12%	2%	0%	100%	85%	98%
Exceeding 3,000 cc	15%	5%	57%	12%	2%	0%	126%	100%	115%
Hybrid Diesel Car									
Less than 1,600 CC	15%	5%	21%	12%	2%	0%	71%	60%	69%
1,600 CC - 2,000 CC	15%	5%	21%	12%	2%	0%	71%	60%	69%
2,000 CC - 2,500 CC	15%	5%	40%	12%	2%	0%	100%	85%	98%
Exceeding 2,500 CC	15%	5%	57%	12%	2%	0%	126%	100%	115%
Electric Car									
Car - Electric	15%	5%	0%	12%	2%	0%	34%	2.5%	25%

Example – Costa Rica

- Average age is 10 yrs, mainly from US
- Tax incentives 2012, revised 2016
- Age restriction under development – proposal 12 years (only)

Category	Selective tax 2012	Selective tax 2016
New	30%	30%
Used < 3 yrs	30%	30%
Used 4 and 5 yrs	40%	30%
Used >= 6 yrs	53%	48%
HEV y BEV	10%	10%

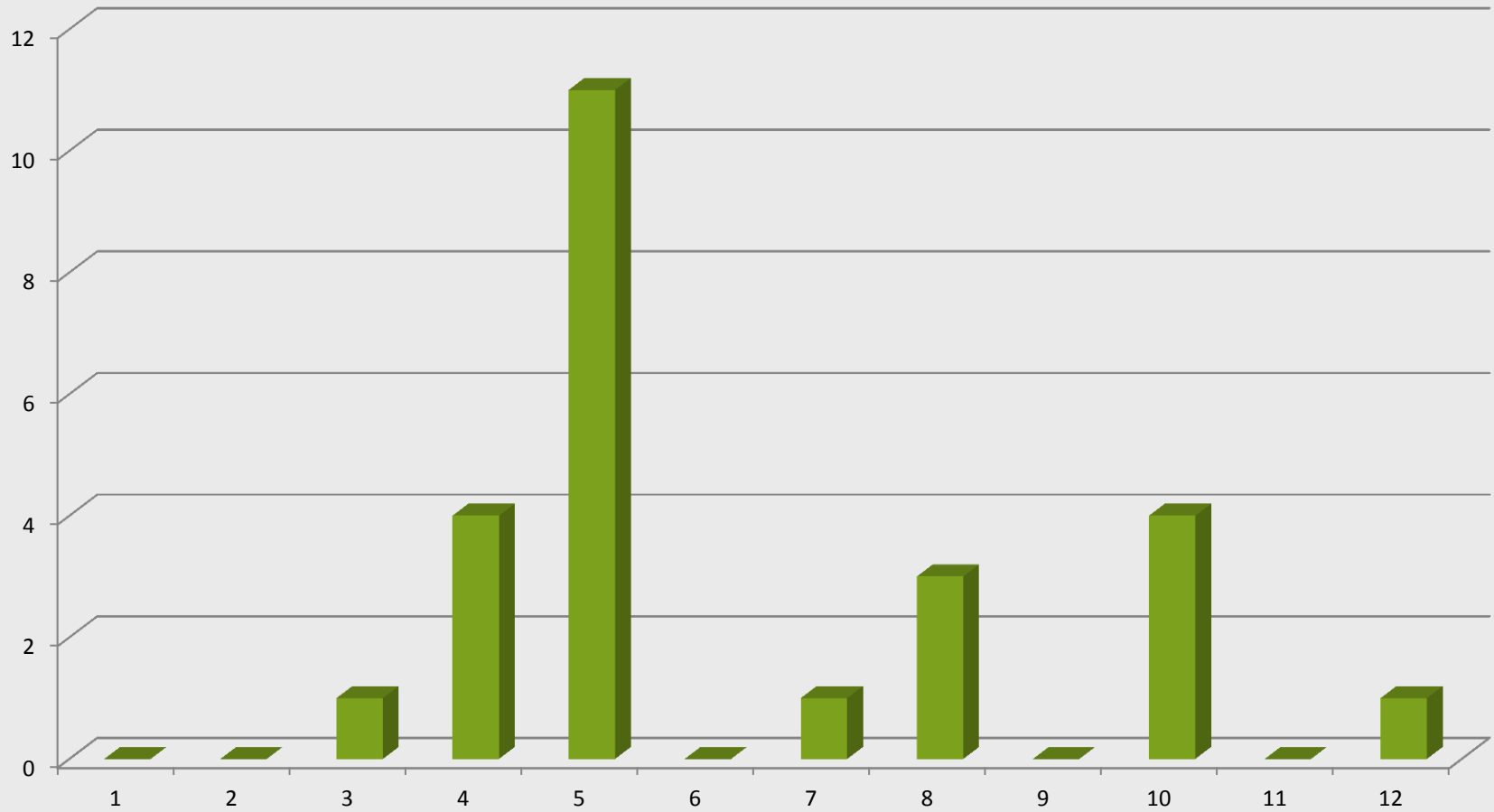
Global efforts to Promote Cleaner Used Vehicles

A Harmonized Approach

Asia – Mixture of Measures

		BAN	CHI	HK	IND	INO	MAL	NEP	PAK	PHI	SIN	SRI	VIE
Compliance to emission standards	for NEW vehicles	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	specified for used/ reconditioned vehicles	<input checked="" type="checkbox"/>											
	for IN-USE vehicles		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Importation of used vehicles	Allowed	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		until 2015	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	since 2006
	Should conform with emission stds	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Should conform with roadworthiness stds			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>		
	Should conform with steering/ control stds	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Depending on age/ mileage/ engine type			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Banned		since 2002			since 2007	2016			2002; 2007			since 2006
	for used 2- & 3-wheelers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>							<input checked="" type="checkbox"/>
	for used passenger cars		<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
for used commercial light duty vehicles	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>											some
for used heavy duty/ construction vehicles	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>								
Restrictions	Vehicle age cap	< 4 yrs				<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
	Conditions for 2-wheelers			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				no 2-stroke			no 2-stroke	
	Conditions for heavy duty vehicles			<input checked="" type="checkbox"/>									
Exemptions	For some vehicles based on type				MUVs			HDVs		HDVs			HDVs
	For some vehicles based on ownership												
	For entry into economic/ free port zones									<input checked="" type="checkbox"/>			

Age Restrictions



A Global/ Regional Approach

- Some regions few restrictions
- Harmonization?
- Not blocking but shifting to cleaner vehicles
- Cost benefits (fuel, maintenance)
- Health benefits
- Systems approach – avoid mismatches
- Electric vehicles - leapfrogging
- Impacts on car markets?