

Panel on Environmental Affairs
Promoting the use of electric vehicles

Purpose

This submission provides background information and a summary of the major views and concerns of electric vehicles. The impact of EV policy cannot be assessed without clear roadmap and objective. Phasing out gasoline car is already a global trend that Hong Kong. I would like to make the following statements in relation to the promoting the use of electric vehicles.

- Set a clear timetable and roadmap to phase out high emission private vehicles
- Set an objective of EV adoption in the next 5 – 10 years
- Set a timetable to build EV government fleet

1. Tax Incentive

As of October 2019, only 2% of the total private vehicle fleet (626,405) are EV (12,650). The administration should do more to boost EV adoption.

Suggestions:

- Extend “One for One Replacement” Scheme and enhance promotion
- Raise the exemption amount of First Registration Tax for EV to boost EV adoption

2. Enhance Enhancement of Charging Facilities

According to the LegCo Q and A on 29 May 2019, the administration has not utilized the parking spaces managed by public institutions to provide EV chargers, such as the MTR Corporation Limited, Hospital Authority etc.

Suggestions:

- Invest substantially to increasing the number of public EV chargers at the car parks managed by public institutions. Newly installed chargers should all be medium chargers
- Upgrade all the public standard chargers to medium or quick chargers

3. Encourage Company EV Fleet

The only policy incentive in place for building company EV fleet is “Profits Tax Deduction for Capital Expenditure on Environment-friendly Vehicles”. The scheme allows businesses which have purchased eligible environment-friendly vehicles to deduct the capital expenditure incurred under profits tax in the first year. However, the scheme has little impact on establish EV fleet in private sector.

Suggestions:

- Roll out new programmes to recognize companies’ effort in advocating zero emission by building EV fleet
- Echo the idea of EV100 by The Climate Group and provide new incentives to encourage companies to establish EV fleet

- Review Hire Car Permit and make having EV in the fleet as one of the requirements to obtain the Permit. EV license fee to further encourage people to switch from gasoline cars to EV.

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