



Government of Nepal

Ministry of Physical Infrastructure and Transport

Department of Transport Management

**Air Quality and Cleaner Used Vehicles
Case of Nepal**

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Presentation Content

- **Road Transport Sector in Nepal**
- **Vehicles Emission Control and its Legal Framework**
- **Used Vehicles Import Policy**
- **Challenges on Importing Used/Second-hand Vehicles**



Some Facts about Nepal

- **Population: 28 Million (2015/016)**
- **Registered Vehicles: 2.3 Million**
- **Two wheelers/ Motorcycles: 1.8 Million (78%)**
- **Total Road Network: about 85,000 KM including Local Roads**

Nepal is entirely dependent on imported vehicles



Vehicle Import Policy

- **Only Brand New Vehicles are imported in Nepal (Used/Second-hand are banned/restricted).**
- **Each vehicle imported should comply with Euro III Emissions Standard.**
- **Import of Electric Vehicles are encouraged through the exemption in Customs Duty.**



Vehicle Mass Emissions Control

- **Vehicles are subjected to get “green sticker”:**
 - **Certificate of compliances of emissions standard.**
 - **This standards are subjected to all vehicles imported to Nepal except Tractor, Dozer, Crane, Roller & Excavator.**
 - **These standards are set for various types of vehicles and fuels.**



Nepal Vehicle Mass Emissions Standard

- **These standards are set for exhaust emissions for Carbon Monoxide (CO), Hydro-Carbon (HC), Nitrogen Oxides (Nox), Limit values for a light vehicle (petrol engine) are given as: (Euro III)**

Limit Values, Grams per Kilometer			
Type of vehicle	Mass of Carbon monoxide (CO)	Mass of Hydrocarbon (HC)	Mass of Nitrogen Oxide (NO _x)
Passenger Cars	2.3	0.2	0.15



Nepal Vehicle Mass Emissions Standard

- Diesel engine light vehicles; (Euro III)
 - Type Approval & Conformity of Production
 - Exhaust Emission Values

Limit Values, Grams per Kilometer				
Type of vehicle	Carbon monoxide (CO)	Hydrocarbon (HC) and Nitrogen Oxide (HC+NOx)	Nitrogen Oxide NOx	PM
Passenger Car	0.64	0.56	0.50	0.05



Used Vehicles Import: Legal Context in Nepal

- **Motor Vehicle and Transport Management Act, 1993:**
 - Provision of Type approval (TA) and Conformity of Production (CoP) before importing any vehicles to the country
 - All vehicles must comply with Euro III emission standard
- Road Worthiness Test for assembled vehicles in Nepal
- **Import of used vehicles is banned by the Financial Act.**



Import of Used Vehicles: Challenges for Nepal

- **Nepal lies in between China and India (two giant economies).**
- **It is less potential to have own automobile industry with mass production.**
- **Vehicles import is easy-way for Nepal.**
- **High duty on vehicle Import: it is one of the major sources of national revenue.**
- **Import of vehicles, spare parts and fuel is major items of foreign trade which takes out significant amount of foreign currency reserve.**



Import of Used Vehicles

- **Import of used vehicles :**
 - **May reduce revenue,**
 - **Difficult to maintain emission standard,**
 - **Difficult to control the entry of old and sub-standard vehicles from neighboring countries, &**
 - **Lack of strong mechanism to monitor and check the emission standard.**



Import of Used Vehicles

- **Government of Nepal has decided to ban public vehicles (in Kathmandu Valley) of age more than 20 yrs. old, from 1st March, 2017.**

The reasons are:

- **It will increase air pollution,**
- **It may increase road traffic accident, &**
- **It will increase overall transport cost due to high maintenance cost and less fuel efficiency.**



Global Perspective of Used Vehicles

- **Lower cost of mobility which will be attractive for policy makers,**
- **Stringent emission standards induces to export used vehicles to the developing countries,**
- **Recycling of vehicles is costly. Therefore, it is more rational to export from manufacturing countries.**



Used Vehicles are banned

- **Egypt,**
- **South Africa,**
- **Sudan,**
- **Morocco, and**
- **Nepal.**



Opportunities for Nepal

- **Establish stringent criteria on standard for importing used vehicles (considering open border conditions with India),**
- **Allow importing used vehicles from developed countries like Japan, Germany, United Kingdom, USA etc.,**
- **Monitor strictly to the cross border vehicles movement,**
- **Cost of the used vehicles is reasonably low, &**
- **Overall transport cost will be reduced.**



THANK YOU

