



Vehicle Import Regulations to combat used vehicles dumping in Bhutan

Strategies to combat used vehicles import in vehicles importing countries of Asia

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Introduction

- Surface Transport Authority (STA) established under the erstwhile Ministry of Communications (MoC) in 1997.
- STA took over the both vehicle registration and driver-licensing mandates from the Department of Revenue & Customs, and the Royal Bhutan Police, respectively.
- Road Safety and Transport Act was passed and STA was renamed as Road Safety and Transport Authority as per the Act in 1999.
- MoC bifurcated into MoIC and MoWHS in 2003. RSTA was placed under MoIC.
- Road Safety and Transport Act 1999 is being reviewed for amendment.



Vehicle Import

- ❑ Bhutan doesn't have vehicle manufacturing plants.
- ❑ Imports were mainly from Japan in the past but now mostly from India.
- ❑ The extant laws allow both diesel and petrol vehicles
- ❑ Import of second-hand cars stopped since 1999.
- ❑ Vehicles imported after 20 June 2012 are liable for green tax (1800cc & above – 20%; Less than 1800 cc- 5%)
- ❑ Import and registration of vehicle requires Evidence of purchase from an Authorised Dealer; Customs duty declaration certificate; and Physical Inspection of the vehicle; Conformity to the Emission standards.

Existing Standards/Practices

- ❑ BS-IV (Euro- IV) standards for new vehicles.
- ❑ 4-stroke engine (two-wheeler);
- ❑ Import fuels from India with less than 50 ppm sulphur content.
- ❑ Vehicles need to undergo compulsory emission tests to obtain emission-compliance certificate (Half-yearly for commercial and yearly for personal/noncommercial vehicles)
- ❑ Road-worthiness test (test every half yearly for commercial vehicles and yearly for non-commercial vehicles).

Diesel

75% Hartridge Smoke Unit (HSU) for vehicles registered before 1/1/2005 and 70% HSU for vehicles registered after 1/1/2005

Petrol

4.5% Carbon Monoxide(CO) for vehicles registered before 1/1/2005 and 4%CO for vehicles registered after 1/1/2005

Challenges

- ◆ Public awareness and education
- ◆ Technology (handy equipments) for emission testing
- ◆ The standard and the uniformity of emission-testing procedure
- ◆ Importance of the emission test Vs the outsourcing of the testing mandate
- ◆ Skills gaps hindering effective enforcement
- ◆ Lack of facility for scrapping and recycling of the old vehicles/ parts.
- ◆ Skepticism on the sustainability of the electric vehicle drive, and the environmental issues that follow.
- ◆ Political will of the governments.

Way Forward/Recommendations

- ❑ Stringent enforcement of the emission standards and the roadworthiness of the vehicles.
- ❑ Bhutan is planning to implement BS-VI (Euro- VI) standards for all new diesel and gasoline vehicles by 2021.
- ❑ Bhutan plans import fuels with less than 10 ppm sulphur content from 2021
- ❑ Proposal for ban on the import of diesel vehicle with less than 3.5 MT
- ❑ Bhutan plans to focus on low-carbon vehicle strategy and implement for all times to come.
- ❑ Enhancement of the technical capacity of the employees is crucial.
- ❑ Certification of the workshops and formal training for the mechanics.
- ❑ Facility for scrapping and recycling of the old vehicles/ parts must be established.
- ❑ Government must introduce incentives for scrapping the old vehicles.



THANK YOU

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