

FICCI Suggests Vehicle Replacement Policy to End Uncertainty and Check Pollution

New Delhi, 18 December 2015: While respecting the recent orders of the Hon'ble Supreme Court and NGT banning the registration of private diesel vehicles above certain engine capacity, FICCI today emphasized the need for balanced and holistic measures to be taken based on authentic studies so that interest of every stakeholder is given due weightage. FICCI emphasized the need for immediate introduction of vehicle replacement policy to end the uncertainty surrounding the industry and for the society.

FICCI noted that worldwide mandatory ban on the vehicles are not very common, effective and popular programs. There is a need to address the issue in a holistic manner to have any significant impact on reducing pollution levels, emphasized FICCI.

FICCI has been advocating for the vehicle replacement policy with fiscal incentives especially for the diesel trucks that are the greater source of pollution, as claimed by the study done by IIT Kanpur. More commonly, vehicle replacement programs are voluntary and supported by some form of policy incentives. These are usually fiscal incentives, such as direct subsidies or fees to eliminate or discourage the use of older vehicles. They may also include other incentive policies such as restrictions on when and where high-emitting vehicles may operate. The effective use of non-fiscal policy incentives to complement subsidies or other fiscal incentives are one of the important best practices adopted by countries. FICCI has submitted a detailed note on possible options of vehicle replacement policy in India to the Government.

FICCI MEDIA DIVISION