Beijing electric vehicle policy

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Beijing"s transportation authority announced today that it has added 20,000 electric vehicle (EV) purchase quotas for local families. This is the first time the city has increased the number of purchase quotas since it began restricting car purchases in 2011.

In the context of Beijing"s vehicle quota policy, this paper studies the influencing factors of consumers" purchase intention from the perspective of consumers" psychology and proposes some targeted policy recommendations.

China has emerged as a global leader in electric vehicle (EV) sales due to the government"s industrial incentive policies. However, as industrial and incentive policies undergo adjustments and the market scales up, the efficacy of mixed incentive policies in a mature market becomes increasingly relevant compared to individual policies.

From generous government subsidies to support for lithium batteries, here are the keys to understanding how China managed to build a world-leading industry in electric vehicles. By Zeyi Yang ...

In a survey-based study [110] conducted in Beijing, observed that the preferential policy measures for EVs and zero traffic restrictions for electric vehicles have substantial impact on the users" choice of adopting EVs. Adoption of EVs is associated with enjoying some traffic "privileges" in comparison with internal combustion engine vehicle.

Under Beijing"s purchase restrictions, eligible individual and family applicants are required to obtain a license plate quota that"s valid for 12 months in advance through a lottery system before they can register their vehicles in the city.

Restrictions on car purchases have led to license plates becoming a scarce resource in Beijing, which has led to an increase in the number of people participating in the lottery system, even though they may not have a pressing need for a car.

Beijing"s latest move is a response to the central government"s call to optimize regulatory policies for cities that restrict car purchases in order to unleash the potential for car consumption.

The new energy vehicle industry features prominently in multiple sections of the 14th Five-Year Plan. In one key section the plan includes NEVs on the list of “strategic emerging industries” and aims to increase the collective value-added of strategic emerging industries to more than 17% of GDP by 2025. Goals for strategic emerging industries include:

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Although the five-year plan’s targets and goals are high-level, ministries and local governments study it carefully when formulating their own plans and policies. The way central and local officials implement these guidelines—e.g., via their own plans (some of them also called 14th five-year plans), policies, measures, and programs—will determine the actual opportunities and risks for foreign and domestic companies in the market. A small sampling of such efforts in the NEV area that stem from or coincide with the national 14th Five-Year Plan are listed below:

Companies with business interests affected by Chinese NEV policies should carefully monitor local and sectoral developments to determine how best to navigate this rapidly evolving terrain. They should also consider engaging with Chinese policymakers where necessary to express their needs or share industry best practices.

With over a decade of experience in China, Ashwin Kaja helps multinational companies, governments, and other clients understand and navigate the complex legal and policy landscape in the country. He plays a leading role in Covington’s China international trade and public policy practices…