



**The Hon Catherine King MP**

Minister for Infrastructure, Transport, Regional Development and Local Government

# **A New Vehicle Efficiency Standard tailored for Australia**

Australian motorists will soon be able to choose from a wider range of more efficient, modern vehicles, and be able to save at the bowser.

Legislation for the Albanese Government's New Vehicle Efficiency Standard being introduced tomorrow will be good for the hip pocket and good for the environment.

This will reduce emissions from new passenger vehicles by more than 60 per cent by 2030, and roughly halve the emissions of new light commercial vehicles over the same period. And Australians will save money at the bowser because they can buy cars that use less fuel.

The New Vehicle Efficiency Standard targets for passenger vehicles catch up to comparable economies by the end of the decade.

Along with Russia, Australia has for too long been one of the only advanced economies in the world without a Standard, and, as a result Australian families are spending more on fuel than they need to be.

The Albanese Government has closely consulted with a broad range of stakeholders over the past year and engaged with the more than 9,000 submissions made throughout the latest consultation period.

The Standard will give car makers an incentive to send us their most efficient vehicles, while ensuring Australians have access to the range of vehicles they need for work and leisure.

This constructive collaboration is delivering what's right for Australia, by making improvements to the consultation option to deliver more choice of cheaper-to-run cars for motorists, while ensuring a sustainable and effective Standard. These modifications include:

- **Recategorising a limited number of 4WDs from passenger car to light commercial vehicle.** This acknowledges that some off-road wagons use similar ladder-frame chassis, and need comparable towing capacity above 3 tonnes, to dual cab utes. This includes models such as the Toyota Landcruiser and Nissan Patrol;
- **Smoothing the emissions trajectory for light commercial vehicles.** This reflects adjustments announced by the US EPA to its vehicle Standard and smooths the transition for utes, vans and 4x4s;
- **Adjusting the weight-based relative emissions limits (known as the break point),** recognising that heavier vehicles emit more;
- **Staging implementation to enable preparation and testing of essential data reporting capabilities.** To ensure we get the implementation right in partnership with industry, the scheme will commence on 1 January 2025 but manufacturers will not begin earning credits or penalties until 1 July 2025.

To help accelerate the transition, the Government will provide \$60 million to boost EV charging at Australian dealerships, under the *Driving the Nation* fund.

This is the right package of measures for Australia. It will transform Australia's vehicle fleet to save families money, people will still be able to buy the vehicles they know and love while getting access to the safest, most modern, efficient cars.

More information on the Government's planned New Vehicle Efficiency Standard is available at [www.cleanercars.gov.au](http://www.cleanercars.gov.au) (<http://www.cleanercars.gov.au>)

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MEDIA RELEASE

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JOINT RELEASE WITH

**The Hon Chris Bowen MP**

Minister for Climate Change and Energy