

Australia Automotive Fuel Economy Policy

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I.1 Background

Although Australia does not yet have a mandatory automotive [fuel economy standard](#), the Federal Chamber for Automotive Industries established a voluntary target in 2005 to reduce National Average Carbon Emissions (NACE) for all new passenger vehicles to 222 grams of CO₂/km under the [NEDC driving test cycle](#) by 2010. There are no specified enforcement or non-compliance penalties under this agreement.

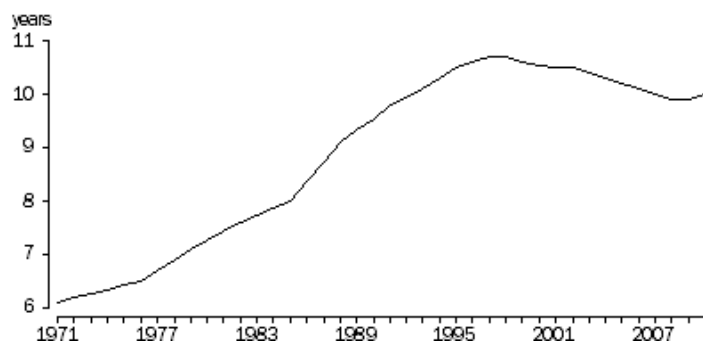
I.2 Australia's Light-Duty Vehicle Fleet

There were 16.1 million motor vehicles registered in Australia as of 31 March 2010, of which 12.2 million were passenger (or light duty, LDV) vehicles. The average annual growth over the 2005 – 2010 period for LDV's was 2.4%.

	Type of vehicle, Census years 2005, 2009 and 2010				
	2005	2009	2010	Change 05/10	Ave. annual growth 05/10
	no.	no.	no.	%	%
Passenger vehicles	10 896 410	12 023 098	12 269 305	12.6	2.4
Campervans	40 693	46 535	48 504	19.2	3.6
Light commercial vehicles	2 030 254	2 371 082	2 460 568	21.2	3.9
Rigid trucks	368 520	421 702	431 278	17.0	3.2
Articulated trucks	69 723	81 217	82 436	18.2	3.4
Non-freight carrying trucks	19 962	22 299	22 533	12.9	2.5
Buses	72 620	84 413	86 367	18.9	3.5
Motorcycles	421 923	624 090	660 107	56.5	9.4
Total motor vehicles	13 920 105	15 674 436	16 061 098	15.4	2.9

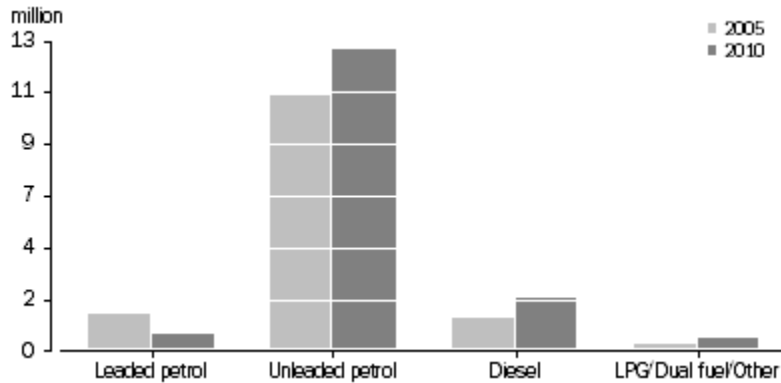
In the 5 years between 31 March 2005 and 31 March 2010, the LDV fleet grew 12.6% to 12.3 million. In 2010, the average age of all vehicles registered in Australia was 10 years old.

Estimated Average Vehicle Age of vehicle fleet



13.3 million vehicles (or 83% of the total vehicle fleet) were registered as petrol vehicles. The number of vehicles registered with diesel fuel as of 31 March 2010 accounted for 13.8% (or 2.2 million vehicles) of the total fleet, up from 10.1% in 2005.

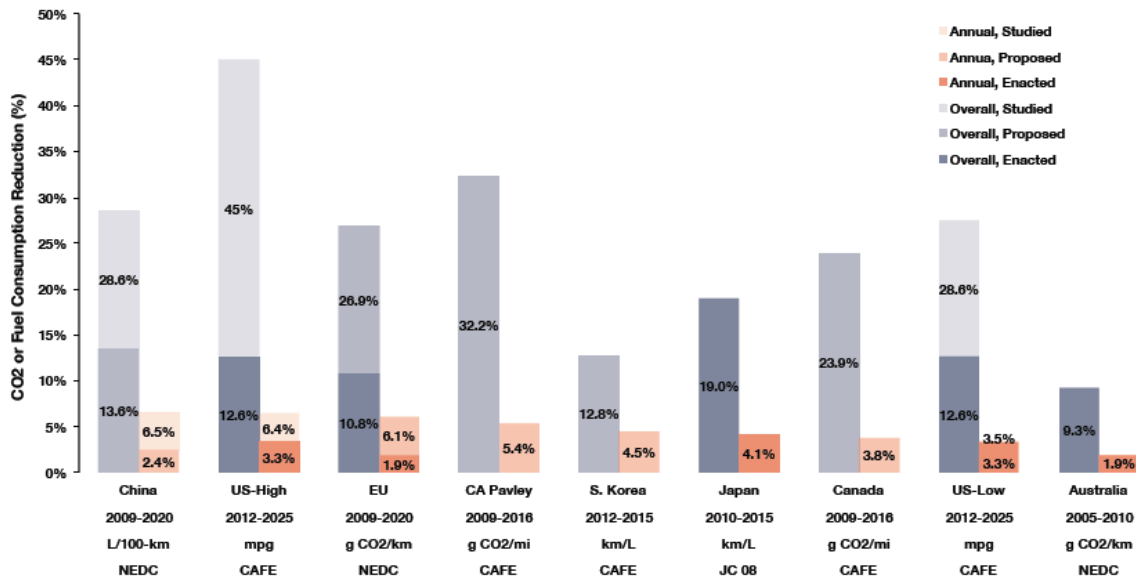
Motor vehicle fleet, Type of fuel



Over the five year period, passenger vehicle registrations increased by 12.6%; diesel fuel vehicle registrations increased by 91.5%. Over the same period, registrations for light commercial diesel vehicles was 64.3% higher.

1.3 Status of LDV fleet fuel consumption/CO₂ emissions

Overall, the impact of the voluntary standards has been modest in Australia (see below) and the government is now developing mandatory standards.



* Annual and overall reduction rates are calculated using data in countries' own metrics and test cycles.
 **Baseline years the latest years that actual performance data are available.

Overall and annual percentage CO2 reduction with enacted and proposed targets. Courtesy of www.theicct.org

2.0 Regulatory Policies

2.1 National Standard

The Federal Chamber of Automotive Industry first established voluntary fuel economy standards for new vehicles sold in Australia in 1978; although the industry did not achieve the targets, there was still noticeable improvement in fuel economy. A second voluntary code, in place from 1996 to 2001, aimed to reduce the national average fuel consumption to 8.2L/100km. In 2005, FCAI members committed to a voluntary target of 222 grams of CO₂/km for petrol passenger cars to be attained by 2010. This represented a 15% improvement in the fuel efficiency of new vehicles between 2002 (as the baseline) and 2010. With all three voluntary standards, there were no penalties or enforcement.

2.2 Test cycle type

Australia uses the “New European Driving Cycle”, or [NEDC](#).

2.3 Import restrictions

New Vehicles

Australian new and used vehicle [imports](#) must adhere to national emission standards, meaning [Euro 4 standards](#) for conventional pollutants for LDV's as of mid 2010.

Second Hand

N/A

2.4 Technology mandates/targets

N/A

3.0 Fiscal Measures and Economic Instruments

3.1 Fuel Taxes

N/A

3.2 Fee-bate

N/A

3.3 Buy-back

In 2009 the Australian government introduced a tax break giving consumers a 30 percent discount on purchasing new motor vehicles. The tax break was part of the government's \$42 billion Nation Building and Jobs Plan to create up to 90,000 Australian jobs. Some \$2.7 billion has already been spent on increasing vehicle sales by giving beneficial tax incentives. But, unlike similar programs (e.g. the [U.S. 'Cash for Clunkers'](#) programme) Australia's program did not carry any special efficiency requirement when purchasing a new car.

3.4 Other tax instruments

N/A

3.5 Registration fees

N/A

3.6 R&D

N/A

4.0 Traffic Control Measures

4.1 Priority lanes

N/A

4.2 Parking

N/A

4.3 Road pricing

N/A

5.0 Information

5.1 Labeling

Australia instituted a mandatory labelling scheme in 2001; for more information on Australia's labeling program, click [here](#). The results are based on a standard test procedure so consumers can reliably compare the performance of different models under the same test conditions (see [test cycles](#) for more on testing procedures for emissions).

5.2 Public info

The Australian government publishes a [Green Vehicle Guide](#) which rates all new Australian passenger, four-wheel drive and light commercial vehicles based on fuel consumption, and greenhouse and air pollution emissions. Data is available from models from 1986 onwards.

5.3 Industry reporting

N/A

The text above is a summary and synthesis of the following sources:

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