

Dr Warren Mundy
Independent ADR Harmonisation Review
Department of Infrastructure, Transport, Regional Development, Communications and the Arts
111 Alinga Street
Canberra ACT 2600

Dear Dr Mundy

ANCAP SAFETY welcomes the opportunity to provide a submission to the independent Australian Design Rule (ADR) harmonisation review.

ANCAP is Australasia's independent vehicle safety authority. It exists to reduce road trauma through the testing and promotion of safer vehicles and provides consumers with transparent advice through a rating system between zero and 5 stars. ANCAP's role is to encourage vehicle brands to design and build, and consumers to purchase and use, the safest vehicles possible. We set the benchmark to encourage vehicle brands to strive for the highest level of safety. We acknowledge vehicles that meet or exceed high performance thresholds, and bring awareness to those that can improve.

ANCAP is complementary to the ADRs, with the level of safety performance for vehicles scoring 5 stars sitting well above that required under the ADRs. ANCAP strongly supports the federal government's National Road Safety Strategy 2021-2030, which prioritises enhancing the safety of vehicles in the Australian fleet as part of the Safe System approach to road safety. ANCAP also supports the ambition of zero fatalities and serious injuries on Australian roads.

ANCAP makes the following recommendations to the review:

1. The ADRs should be retained as a mechanism for setting Australian national standards for new vehicles.
2. The Australian Government should prioritise harmonisation of the Australian Design Rules with global best practice in vehicle safety (currently the European General Safety Regulation 2).
3. The Australian Government should reduce the time taken to introduce new Australian Design Rules when those rules are in line with existing international regulations.
4. The Australian Government should continue to actively engage in the development of international standards through UN Working Party 29 and expert working groups, and should promote uplift of UN Regulations and Global Technical Regulations through these fora to ensure that the international standards do not fall behind national requirements such as the European GSR2.
5. Australia's vehicle standards should continue to prioritise safety, and exemptions or concessions that may reduce vehicle safety should not be given.

Our full submission is attached to this letter. ANCAP SAFETY would also be pleased to meet with you to discuss these issues in detail.

Yours sincerely



Carla Hoorweg
Chief Executive Officer

24 January 2025

ANCAP Submission - ADR Harmonisation Review 2024-25

January 2025

1. Background

ANCAP is Australasia's independent vehicle safety authority. It exists to reduce road trauma through the testing and promotion of safer vehicles and provides consumers with transparent advice through a rating system between 0 and 5 stars. ANCAP is complementary to, and supports, the Australian Government's regulatory requirements for new motor vehicles under the Australian Design Rules (ADRs).

ANCAP's role is to encourage vehicle manufacturers to design and build, and consumers to purchase and use, the safest vehicles possible. We set the benchmark to encourage vehicle brands to strive for the highest level of safety. We acknowledge those that meet or exceed high performance thresholds, and bring awareness to those that can improve. Through these activities, ANCAP supports implementation of the *National Road Safety Strategy 2021-2030*.

Enhancing the safety of vehicles is a national road safety priority

ANCAP's work over the past 30 years has been influential in ensuring that most new vehicles in Australia meet very high safety standards. Currently more than 75 per cent of new passenger and light commercial vehicles have been rated by ANCAP, and around 70 per cent of all new vehicles sold have received a five-star safety rating. The level of safety of a car that receives a five-star safety rating from ANCAP (non-regulatory) significantly exceeds the minimum requirements set for vehicles the regulatory Australian Design Rules.

The Australian Government, working with the states and territories, is promoting the uptake of safer vehicles through the *National Road Safety Strategy 2021-2030* (the NRSS). The Government's NRSS target for 2030 is for at least 25 per cent of the light vehicle fleet – comprising passenger cars and light commercial vehicles – to be covered by an ANCAP five-star rating with a date stamp of no less than six years.

2. ANCAP's view on vehicle design rules

ANCAP's view is that safety of Australian road users through the potential for trauma reduction should be the primary guiding principle for the regulation of vehicle design.

The ADRs perform a critical role in providing the mechanism for Australia to set vehicle standards, whether these are based on other national or international requirements or not. While in some cases it may be possible for legislation to directly reference other national or international standards, this does not necessarily introduce any efficiency and may reduce Australia's capacity to determine national standards.

The ADR framework should not be abandoned.

International Harmonisation of the ADRs

The Australian Government's policy position has consistently been that the ADRs should be harmonised with international regulations wherever possible. ANCAP supports this position, provided that best-practice safety standards are available as UN Regulations (or Global Technical

Regulations). This international harmonisation is facilitated by United Nations agreements made in 1958 and 1998. Australia is a signatory to both these agreements.

Australia has been a leader in the development of vehicle safety standards, contributing to the development of harmonised standards that have been implemented in most developed economies. Notably, the introduction of pole side impact regulations through ADR 85/00 in 2015 was a world-leading change to vehicle safety standards, which (together with matching changes to ANCAP's consumer testing program) has substantially improved the crash safety performance of Australian passenger vehicles.

It is recognised that geographic, historical and economic differences mean that not all markets can apply identical regulation. Harmonisation of core standards allows safety and environmental requirements to be met with a minimum of cost for implementation within each market. While Australia's environment and road system can present some unique requirements for vehicle design, the road-safety challenge and safety design principles remain common with other world economies.

ANCAP notes the Australian Government's continued engagement in the international rulemaking process, and supports this as essential in ensuring that existing and emerging vehicle safety problems are being addressed with standards that are up-to-date and fit for purpose in Australia and other markets. ANCAP also notes and supports the Australian Government's commitment to international standards through leadership of informal groups on Child Presence Detection and for Driver Drowsiness and Distraction Warning Systems.

Global best practice in vehicle safety regulation

Currently there are several significant areas where Australian regulations lag behind the global regulatory standards set through the 1958 and 1998 agreements. Many of these regulations have been adopted by the European Union through the recent Vehicle General Safety Regulation number 2 (GSR2)¹ update to vehicle safety standards which took effect from July 2024.

The GSR2 also includes regulatory measures that go beyond standards that have been implemented as UN Regulations and should be considered as the current benchmark for global best practice. While many elements of GSR2 draw on the work of the UN expert groups, and are expected to be ultimately enacted as UN Regulations or Global Technical Regulations, this process can take many years. The UN Regulations set a much lower bar for vehicle safety than that currently being set in Europe by GSR2. Until the UN Regulations catch up, Australia should be looking to GSR2 as the measure of global best practice in vehicle safety regulation.

The following table provides a summary of the gaps between Australia's vehicle safety regulation and Europe's regulatory environment post-GSR2.

Table 1: Key gaps between EU and Australian vehicle safety regulation post-GSR2

Subject matter	EU regulatory settings	Australian Design Rule (ADR) gap
Pedestrian impact protection	Requires vehicles to be designed to minimise injury risk to pedestrians.	No regulation of pedestrian impact standards for vehicles of any kind.
Frontal impact	Vehicles, including light commercial vehicles below 2.5 tonnes and passenger vehicles of up to 3.5 tonnes, are tested for passenger protection in a frontal impact scenario	ADR 73/.. does not cover light commercial vehicles of any weight, or passenger vehicles above 2.5 tonnes. ADR 69/00 does not cover commercial vehicles above 2.7 tonnes.
Emergency lane keeping systems	Requires vehicles to have emergency lane keeping systems to prevent inadvertent departure from a lane.	No regulation requiring emergency lane keeping systems or lane support systems.

¹ Regulation (EU) 2019/2144 of the European Parliament and of the Council of 27 November 2019
<https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32019R2144>

Rear impact testing	Requires vehicles to be subjected to rear impact testing to ensure fire risk is minimised. Particularly relevant for EVs which may have elevated fire risk.	No requirement for rear impact testing.
Alcohol interlock installation provisions	Requires vehicles to have a standard installation system for alcohol interlock devices.	No standard for vehicle alcohol interlock devices.
Intelligent speed assistance	Requires vehicles to be fitted with systems that identify the current speed limit and aid the driver in not exceeding that limit	No requirement for vehicles to have speed limit identification or intelligent speed assistance systems.
Event data recorders	Requires vehicles to be fitted with devices to record data in the event of a crash.	No requirement for event data recorders.
Driver distraction recognition systems	Requires vehicles to be fitted with systems that identify driver distraction or fatigue.	No requirement for driver distraction systems.
Protection against cyber-attacks	Requires vehicles to be hardened against cyber-attacks	No requirement for vehicle cybersecurity.

Australia's regulations for frontal and side-impact crash protection (with the exception of ADR 85/., for Pole Side Impact protection) have not been updated since they were published in the mid 1990s, despite several updates to the related UN Regulations. Vehicle designs and safety systems have evolved well past those considered in these ADRs – particularly in relation to high voltage energy sources (battery electric vehicles). This presents a real risk that vehicles with obsolete safety performance are sold and used in Australia.

In terms of the impact on electric vehicles specifically, most manufacturers providing electric vehicles into the Australian market are already supplying electric vehicles into the European market, and as such are able to comply with global best practice.

If Australia does not adopt safety standards that align with global best practice, there is a risk that Australia will become a dumping ground for vehicles with lower safety standards, or 'old technology' vehicles that cannot be sold in other developed economies.

Trauma reduction through improved vehicle safety – NSW example

Modelling conducted on behalf of Transport for New South Wales² in 2021 indicated that alignment between European and Australian safety standards for vehicles could lead to the avoidance of 20 fatalities per year by 2030 compared to the baseline trend. The modelling indicated that benefits would continue to grow significantly past 2030, rising to nearly 200 lives saved per year by 2050 with continued vehicle safety interventions. This would represent a greater than 50 per cent reduction in lives lost on NSW roads between 2020 and 2050.

ANCAP expects that similar modelling for other Australian states would show similar reductions in road fatalities and serious injuries.

It is essential that the modelling under the regulatory impact statement process accurately reflects the impact of road trauma on the community so that it can be appropriately weighed against the cost of implementing vehicle safety improvements. Fatalities and serious injuries have significant emotional and economic costs for society and the potential for improved road trauma outcomes should be the predominant focus.

Trauma reduction and ADR implementation timeframes

² Strandroth J, Fernandes R, Banyer G, Cavallo A. *Lives Saved by Accelerating the Implementation of Vehicle Safety Technology in New South Wales*. Stapp Car Crash Journal 2021 Nov;65:1-16.
<https://pubmed.ncbi.nlm.nih.gov/35512782/>

The process of establishing new and updated ADRs is subject to an extensive consultation and regulatory impact analysis process. ANCAP has noted that some manufacturers regularly use this process to demand extended implementation timeframes – which can add years of delay to the implementation of new safety regulations. In many cases, these same manufacturers are already complying with similar regulations in larger overseas markets.

When new ADRs mirror existing regulations in significant global markets, ANCAP's view is that these concerns are substantially overemphasised. While the design timeframe for entirely new vehicle models can be measured in years, it is possible for manufacturers to deliver safety updates as part of regular model update processes (e.g. facelifts, over-the-air updates). This is particularly so for Active Safety measures, that do not require changes to the vehicle structure, and in many cases may be implemented in software with no hardware change at all.

Given that the lifespan of a passenger vehicle on Australia roads can be well in excess of 20 years, any delay in the uptake of international safety standards will have implications for the overall safety of the vehicle fleet for decades to come. The Australian Government should prioritise timely introduction of ADRs to maximise the long-term benefits of safer vehicle standards, including those amendments that are required to ensure the safety of vehicles with electric and other alternative power sources.

Recommendation 1:

The ADRs should be retained as a mechanism for setting Australian national standards for new vehicles.

Recommendation 2:

The Australian Government should prioritise harmonisation of the Australian Design Rules that ensure vehicle safety is in line with global best practice in vehicle safety (currently the European General Safety Regulation 2).

Recommendation 3:

The Australian Government should reduce the time taken to introduce new Australian Design Rules when those rules are in line with existing international regulations.

Recommendation 4:

The Australian Government should continue to actively engage in the development of international standards through UN Working Party 29 and expert working groups, and should promote uplift of UN Regulations and Global Technical Regulations through these fora to ensure that the international standards do not fall behind national requirements such as the EU GSR2.

3. Safety of Low Emission Vehicles and Perceived Barriers to New Models

Historically, the Australian market has been served with a wide choice of vehicle manufacturers, models and variants, this is despite Australia being a very small market in the global context.

The ADRs currently in force for passenger cars and light commercials are almost completely harmonised with accepted international standards, however ANCAP is aware that some vehicle manufacturers have suggested that the small number of unique Australian requirements are presenting a substantial barrier to the importation and supply of some low emission vehicles that are available in other markets. We also note that similar claims have been made that the Australian market's expectation of high safety specification (ie ANCAP 5 stars) is also making these models unviable for this market.

While ANCAP agrees that divergence in safety and emissions standards should be minimised in order to facilitate transition to lower emission vehicles, ANCAP does not support the argument that these barriers are a significant challenge. If such barriers were significant we would not expect to see the

vast array of hybrid, plug-in hybrid and battery electric models being introduced to the market through 2024 and 2025.³

There have been campaigns to provide exemptions from current standards, or amendments to the standards, to permit sale of various low-cost vehicles from other markets. These include quadricycles and some three wheeled vehicles that would not comply with current safety standards, especially crash protection. Similar claims are at times made to advocate widespread commercial importation of used vehicles. In many cases environmental performance is suggested as a justification for such exemptions. ANCAP's strong view is that the existing safety requirements are essential in order to progress towards road safety targets, and that there is no case for any dilution of these standards.

Recommendation 5:

Australia's vehicle standards should continue to prioritise safety, and exemptions or concessions that may reduce vehicle safety should not be given.

4. Unique Standards – Child Restraint Anchorages

One Australian requirement that is often cited (for all vehicles, not just low emissions models), is ADR 34/03's requirement for three Child Restraint Anchorages in the second seating row of a typical passenger car. ANCAP includes child restraint fitment as part of the assessment of each vehicle model under the Child Occupant Protection pillar of the ANCAP star rating. ANCAP would agree that the unique aspects of this standard (the majority of ADR 34's content is already harmonised with UN regulations) require review, however it is critical to recognise that the standard does not operate in isolation – and that related standards (i.e. Australian Standard AS1754 for child restraints) and the national road rule requirements must also be considered, particularly as they relate to the carriage and position of child passengers.

5. Processes for Certification, Homologation and Supply of Vehicles

ANCAP has noted media commentary relating to the processes for supply of vehicles in Australia, and specifically for obtaining Vehicle Type Approvals under the *Road Vehicle Standards Act 1989*. While these comments are often made in combination with comments regarding “dis-harmonisation” of standards, ANCAP believes that it is important to separate consideration of the administrative processes for type approval from the content of the standards themselves.

It is apparent that efficiencies in the type approval process promised with International Whole of Vehicle Type Approval⁴ are yet to materialise. ANCAP would support further progress to streamline the administrative process for certification of new vehicle models and would expect this to reduce some delays in introduction of new models.

³ A example listing of new models being introduced can be found in GoAuto News, edition 1250, 22 January 2025.

⁴ UN “Regulation 0” for International Whole of Vehicle Type Approval.
<https://unece.org/sites/default/files/2022-01/R000r3e.pdf>