

As the introduction of Fuel Efficiency Standard is far behind other countries, Australia should not risk being too conservative in this proposal, especially in terms of level of CO₂ reduction.

FES Design Assumptions:

Recommendation 1

In being standards, FES should apply to *all* sectors. As the technology is improving and therefore permits, heavy vehicles, vehicles for military, law enforcement and emergency services use, agricultural equipment (*especially* light commercial and machinery) or motorcycles should *not* be exempt. Motorcycles will have electric counterparts just as easily available as cars.

Recommendation 2

Targets should be exemplary, best in class, the aim for the emissions cap should be working towards Net Zero. This would require many years and older cars and newly introduced become obsolete, however the aim should be to drive down emissions as quickly as possible. In some European countries, incentives such as percentages off newly bought EVs was made available by the government for a selected period.

Recommendation 3

Bonus credits for innovative technologies, especially those which encourage a sustainable vehicle lifecycle (reducing CO₂ before and after purchase and during the lifetime of the vehicle), should be encouraged.

Recommendation 4

The average annual emissions ceiling should be set to align with other globally competitive, comparable markets, not the annual average rate of decline. A review of adjustment of emissions ceiling should occur every 3 -5 years as New Zealand has planned, should be followed by Australia.

Recommendation 5

I do not recommend the “Cautious start - Finish strong” approach. Australia is often too cautious, which often leads it to being behind the rest of the world, such as in the case of not having FES. It should be bold whilst the FES *can* go ahead.

Recommendation 6

Credits should not be fiscally convertible.

Recommendation 7

That no new vehicles can enter Australia for sale from the time that this can be introduced before the end of 2023, to aim toward achieving 100 percent of new vehicles sold being zero emissions by 2035, second the state of technological progress and sustainability.