

Australia is introducing the New Vehicle Efficiency Standard



As we move towards a more sustainable future, the Australian Government is introducing the New Vehicle Efficiency Standard (the Standard).

What is the New Vehicle Efficiency Standard?

- The Standard is a regulatory measure that will set emissions targets for new cars sold in Australia.
- It encourages car manufacturers and importers to offer fuel-efficient, low and zero-emission vehicles.
- Starting in 2025, people in Australia will have more options to buy new cars that are:
 - More fuel efficient with low or no emissions
 - Better for the environment.

Why implement the New Vehicle Efficiency Standard?

- Over 85% of the global car market already has a fuel efficiency standard in place, including the EU, USA, New Zealand, China, India and Japan. Until now, people in Australia have been missing out on fuel savings through a standard.
- The Standard keeps Australia on track to achieve our goal of 'net zero' emissions by 2050.

How will it work?

- Incentives and penalties will be applied to car manufacturers to encourage the supply of fuel efficient, low or no emission cars.
- Car manufacturers will have a set average target of vehicle emissions to meet each year.
- The Standard will only apply to new vehicles sold in Australia.
- The Standard will mean those looking to buy a new car will get more fuel-efficient choices in the cars they like to drive whether they are diesel, hybrid, electric or petrol.

What are the benefits?

Saving money

- People in Australia who buy a new fuel efficient, low or zero emissions car can expect to save money at the petrol pump every day.
- People in Australia will benefit from the estimated \$95 billion in fuel savings by 2050.
- People who live in regional or rural areas drive greater distances. For those who buy a new fuel efficient car from 2025, they can expect to benefit from even greater fuel savings.

Better for the environment and our health

- Currently, transport makes up 21% of emissions in Australia, and of this, cars make up 60% of all transport emissions (12.7% of Australia's total emissions).
- The Standard will help reduce fuel consumption per kilometre, be better for the environment and help Australia reach 'net zero' emissions.
- Less polluting cars will improve the quality of the air we all breathe and those in Australia will benefit from around \$5 billion in health cost savings by 2050.

More choice in new fuel efficient cars

- To meet emissions targets, car manufacturers and suppliers will need to offer an increased range in fuel efficient cars for sale. This means there will be more hybrid and electric vehicle choices, and more petrol and diesel options, including those available in other markets.
- As more of these cars enter the market, it is expected there will be an increase in fuel efficient cars available in the second hand market.

Where can I find more information?

For more information in English, visit cleanercars.gov.au

Some in-language materials are also available on the website. For help with information in any language, call the Translating and Interpreting Service (TIS National) on 131 450 and ask for an interpreter.

