

# Resource Kit for Communities and Businesses

**The New Vehicle Efficiency Standard**

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2024



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# Introduction

**The Australian Government is introducing the New Vehicle Efficiency Standard. Starting in 2025, people in Australia will have more choice to buy new cars that are fuel efficient with low or no emissions, which are better for the environment. If you buy a new fuel efficient passenger or light commercial vehicle you'll benefit from the changes.**

If you are in the market to buy a new car, from 2025, you'll get more fuel efficient choices in the types of cars you prefer to drive whether it is diesel, hybrid, electric or petrol. The New Vehicle Efficiency Standard (the Standard) will incentivise car manufacturers and importers to supply more fuel efficient, low and zero emission vehicles to the car market in Australia.

People in Australia who buy new fuel efficient cars are expected to save money at the petrol pump everyday and benefit from the estimated \$95 billion in fuel savings brought by the Standard by 2050.

The Standard is a regulatory measure that sets a target on the carbon dioxide emissions from new cars sold from 2025, meaning new car purchases will be better for the environment. The quality of the air you breathe will improve and people in Australia will benefit from around \$5 billion in health cost savings by 2050.

Until now, Australia was behind the rest of the world as one of the last advanced economies to adopt a fuel efficiency standard, meaning we have been missing out on fuel saving technology in new vehicles.

The Standard will significantly increase the choices of fuel efficient vehicles sold in Australia, meaning that:

- people can save money at the petrol pump;
- people will have more choice to buy new cars with fuel-efficient technology;
- new fuel efficient cars will be better for the environment and all community members will benefit from health cost savings.

In this document, you can find campaign materials to keep individuals and the community who are in the market to buy new cars informed about the Standard and what it means for them.

# Important information for the community

## What does the New Vehicle Efficiency Standard mean for me?

The Standard will mean that from 2025, when you buy a new car, you will have a greater choice of fuel efficient vehicles which can save you money at the petrol pump.

The Australian Parliament passed the *New Vehicle Efficiency Standard Act 2024* in May 2024 and introduced the Standard, which will come into effect in 2025. By incentivising car manufacturers to supply more fuel efficient, low and zero emission cars, the Standard ensures that there will be more cars in the Australian market that consume less fuel per kilometre, are better for the environment and will reduce the amount of vehicle emissions produced.

There will be no impact to cars currently on the road in Australia. The New Vehicle Efficiency Standard will only apply to new vehicles sold in Australia and drivers will not have to take any action. The types of cars people in Australia like to drive will still be widely available but you will have more choice.

It is important to note that from 2025, your new fuel efficient car purchase will be better for the environment and help Australia reach its goal of 'net zero emissions'. By using less fuel per kilometre travelled, the quality of the air you breathe will improve and it is expected that the community will benefit from around \$5 billion in health cost savings by 2050.

# A video introduction to the New Vehicle Efficiency Standard

You may have seen this animated video on TV or on social media over recent months. This short video provides a brief overview of the Standard and where to find information.

## Script

Right now, car manufacturers send their most efficient new cars to countries that have fuel efficiency standards. To align Australia with the rest of the world, the Australian Government is establishing the New Vehicle Efficiency Standard. It means more new cars will be designed to be more efficient, whether they're diesel, electric, hybrid or petrol. Giving consumers more choice and saving them money. Find out more at [cleanercars.gov.au/cleanercars](https://cleanercars.gov.au/cleanercars).

[Watch the 15sec animation here](#)

[Watch the 30sec animation here](#)



# Messages from the experts

Hear from three experts who share their perspectives on the New Vehicle Efficiency Standard and its benefits:

- Nicki Hutley – Economist and environmental sustainability advocate
- Dr Kar Mei Tang – Economist
- Charlie Brown – Technology media commentator.



[Watch Nicki's video here](#)

[Watch Dr Kar Mei's video here](#)

[Watch Charlie's video here](#)

# A factsheet for the community

Read the facts about the New Vehicle Efficiency Standard

In this factsheet, you will find information about:

- What is the New Vehicle Efficiency Standard?
- How will the Standard work?
- What are the benefits?

[Download the factsheet here](#)

## 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?

- Starting in 2025, people in Australia will have more choices to buy new cars that are:
  - More fuel efficient with low or no emissions.
  - Better for the environment.
- 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.

### Why implement the New Vehicle Efficiency Standard?

- Over 85% of the global car market has a fuel efficiency standard in place, including the EU, USA, New Zealand, China, India and Japan. Australia is joining the natural progression towards sustainability.
- The Standard also keeps Australia on track to meet 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

- Australians who buy a new fuel efficient, low or zero emissions car can expect to save money at the petrol bowser every day.
- As a country, Australia can expect around \$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 be better for the environment and will help reduce fuel consumption per kilometre. This will help Australia reach 'net zero' emissions.
- Less polluting cars will improve the quality of the air we all breathe and Australians will benefit from around \$5 billion in health savings by 2050.

#### More choice in new fuel efficient cars

- To meet emissions targets, car manufacturers and suppliers will be encouraged 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 choices, 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?

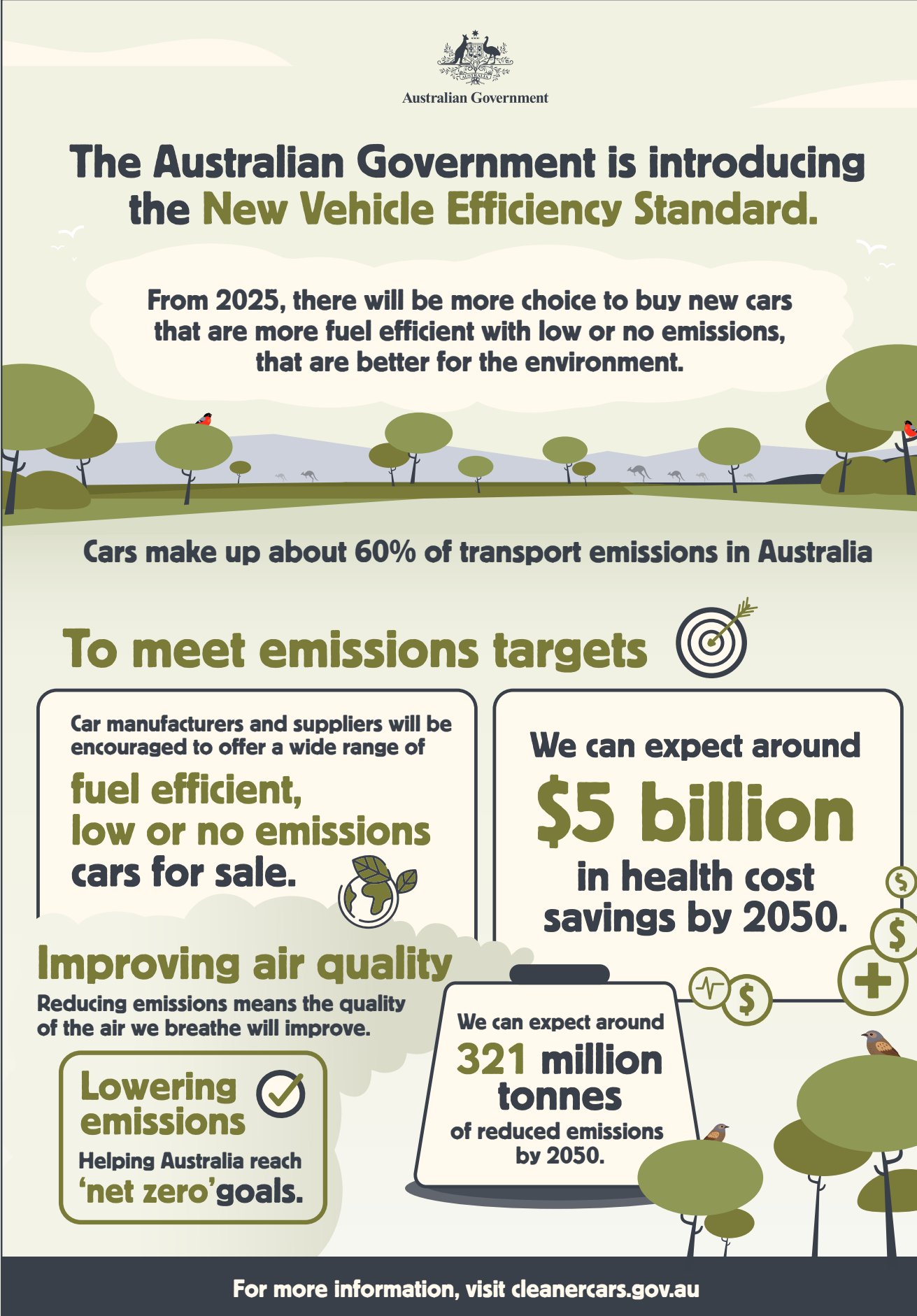
For more information, visit [cleanercars.gov.au](https://cleanercars.gov.au)



Australian Government

# New Vehicle Efficiency Standard Infographics

These infographics outlines some key information about the New Vehicle Efficiency Standard.



Australian Government

## The Australian Government is introducing the **New Vehicle Efficiency Standard.**

From 2025, there will be more choice to buy new cars that are more fuel efficient with low or no emissions, that are better for the environment.

Cars make up about 60% of transport emissions in Australia

### To meet emissions targets

Car manufacturers and suppliers will be encouraged to offer a wide range of **fuel efficient, low or no emissions cars for sale.**

We can expect around **\$5 billion** in health cost savings by 2050.

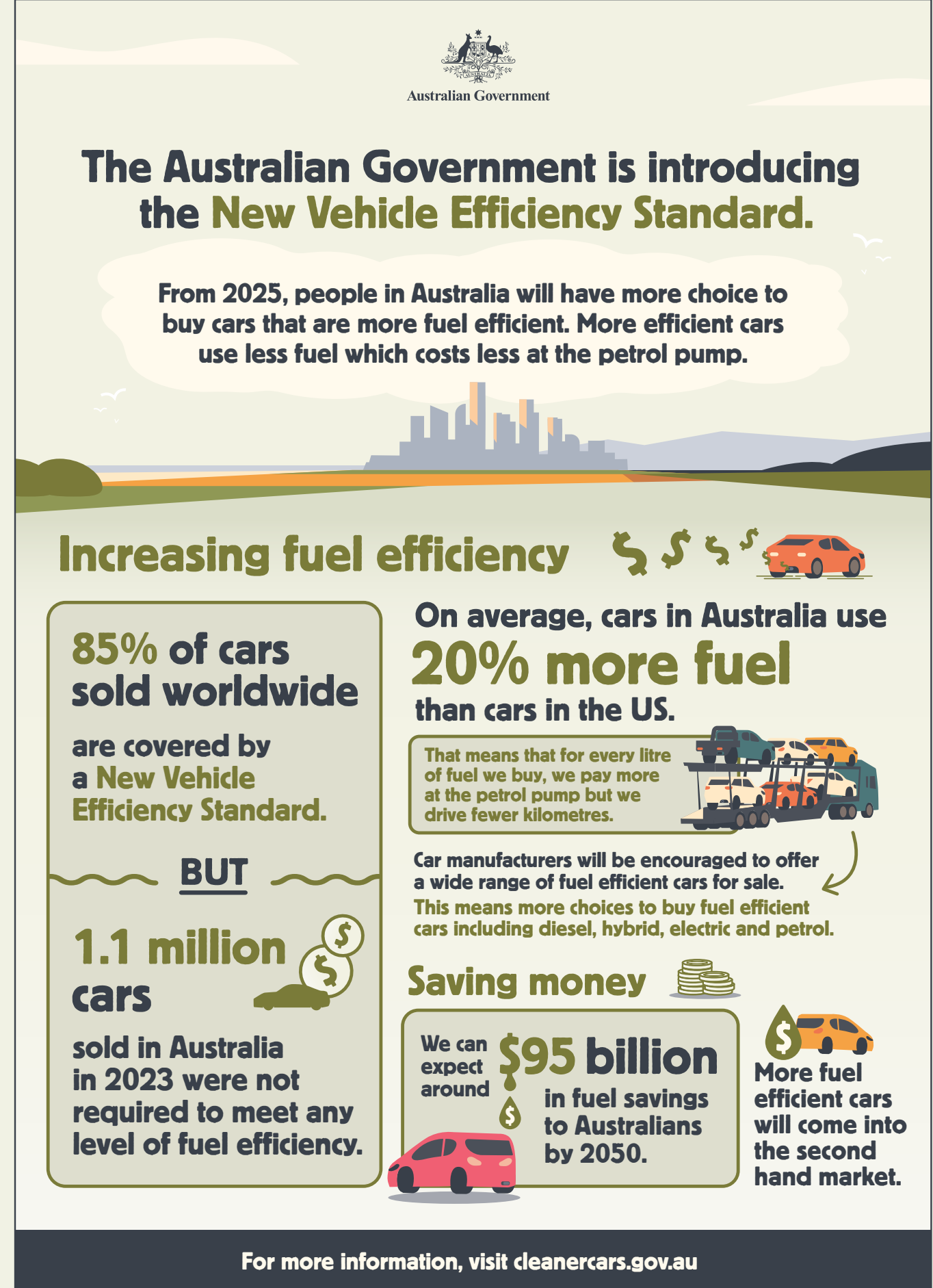
### Improving air quality

Reducing emissions means the quality of the air we breathe will improve.

**Lowering emissions**  
Helping Australia reach 'net zero' goals.

We can expect around **321 million tonnes** of reduced emissions by 2050.

For more information, visit [cleanercars.gov.au](https://cleanercars.gov.au)



Australian Government

## The Australian Government is introducing the **New Vehicle Efficiency Standard.**

From 2025, people in Australia will have more choice to buy cars that are more fuel efficient. More efficient cars use less fuel which costs less at the petrol pump.

### Increasing fuel efficiency

**85% of cars sold worldwide** are covered by a **New Vehicle Efficiency Standard.**

**BUT**

**1.1 million cars** sold in Australia in 2023 were not required to meet any level of fuel efficiency.

On average, cars in Australia use **20% more fuel** than cars in the US.

That means that for every litre of fuel we buy, we pay more at the petrol pump but we drive fewer kilometres.

Car manufacturers will be encouraged to offer a wide range of fuel efficient cars for sale. This means more choices to buy fuel efficient cars including diesel, hybrid, electric and petrol.

### Saving money

We can expect around **\$95 billion** in fuel savings to Australians by 2050.

More fuel efficient cars will come into the second hand market.

For more information, visit [cleanercars.gov.au](https://cleanercars.gov.au)

Download the infographics here



# Poster & Postcard

These printable materials highlight key information about the New Vehicle Efficiency Standard

Postcard



Poster



[Download the content here](#)

# For more information

For more information about the New Vehicle Efficiency Standard, visit [cleanercars.gov.au](http://cleanercars.gov.au)

Thank you for your support.



**Australian Government**

Authorised by the Australian Government, Capital Hill, Canberra.

