



Organisation questionnaire response

Privacy Setting: I agree for my response to be published with my name and position withheld.

What organisation do you represent? (required)	German Australian Chamber of Industry and Commerce
Please rank the proposed options in order of preference. (optional)	Option A - 2nd, Option B - 1st, Option C - 3rd
Briefly, what are your reasons for your choice? (optional, 3000 character limit)	<p>The German Australian Chamber of Industry and Commerce welcomes the governments NVES proposals, as a fuel efficiency standard is a step in the right direction. Considering all three NVES options available, the Chamber is well disposed towards Option B. This option has the potential to be reasonable, yet progressive approach, maintaining manageable risk and aligning with Australia’s climate goals. We also see merit in Option B’s push for an efficiency improvement pathway – a move that can broaden model and variant offerings – while recognising the advantages of how the passenger and light commercial vehicles are classified, and their different targets, to meet the mandated average figure.</p> <p>The banking and trading of credits is a judicious aspect of Option B, and that it has a competitive penalty rate that encourages OEMs to trade credits. We request that consideration be given to whether passenger vehicle credits can be traded directly with light commercial debits. Enabling this would have benefit for OEMs that do not have light commercial vehicles in their fleet while providing the opportunity for those that do have a high proportion of them.</p> <p>German car manufacturers are well equipped to tailor their fleets to meet the targets. Nevertheless, we suggest that the timing of the introduction of NVES should be reconsidered, to allow adjustments to take place. The commencement of NVES should proceed on January 1, 2026. This would ensure that all CO2 targets are met. Furthermore, we would welcome the opportunity for CO2 targets to be reviewed during the implementation phase. Efficiency standards in the US are evaluated and discussed, to enable consultation among industry and OEMs during the implementation phase. This would be effective approach here in Australia as well. Finally, it would be helpful to understand how NVES target setting are influenced by the governments 2030 emission target.</p>
Do you support the Government's preferred option (Option B)?	Yes



(optional)	
Do you have any feedback on the analysis approach and key assumptions used? (optional, 3000 character limit)	We support the analysis approach and key assumptions used. However, there remains a lack of understanding regarding the credit trading operations at a reduced figure compared with penalty rates.
Briefly, describe how the NVES might impact your organisation (optional, 3000 character limit)	The implementation of NVES will have significant impacts, ranging from lowering costs for consumers, emission reduction and less air pollution, contributing to a overall improved air quality. Additionally, it shows the international community and business that the government is progressive and committed in its policy making regarding emissions reduction. This in turn will attract investment from abroad, creating new industry opportunities and jobs in Australia.
Who should the regulated entity be? (optional, 3000 character limit)	We agree with the government’s proposed approach for the regulated entity to be the type of approval holder that first enters a particular vehicle on the Register of Approved Vehicles (RAV). As mentioned previously, it is imperative to allow industry to adjust to the new measures by allowing a transition phase. We recommend a commencement date of the NVES to be set on 1 January 2026.