



Organisation questionnaire response

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

What organisation do you represent? (required)	Isuzu Motors Ltd and Isuzu UTE Australia Pty Ltd
What is your name? (required)	Kazuhiro Hosone (Isuzu Motors Ltd Japan) and Junta Matsui (Isuzu UTE Australia)
What is your position at the organisation? (required)	General Manager of Compliance & Certification Department (K.Hosone) and Managing Director (J.Matsui)
Please rank the proposed options in order of preference. (optional)	Option A - 1st, Option B - 0th, Option C - 0th
Briefly, what are your reasons for your choice? (optional, 3000 character limit)	<ol style="list-style-type: none">1. OPT A follows the baseline CO2 limit curve that EU and US fuel efficiency mandates (approx. 3-4% improvement p.a.),2. The fuel efficiency standard in EU and US has not left anybody behind or exposed them to unintended consequences, allowing OEMs to work on decarbonising their model range through more realistic and long-term product planning strategies.3. OPT B & C are excessively ambitious; both going beyond the mandated targets of the US and EU Standards, and will likely place undue pressure on OEMs, the local automotive industry, and ultimately on Australian motorists.4. Similar to the US Standards, OPT A recognises that a Large-SUV (especially 4x4) and passenger cars are not created equal. Ladder frame vehicles (as opposed to monocoque) are built on commercial principles to be fit for purpose (carrying loads, towing, getting off-road).5. OPT A allows OEMs to pool credits with other OEMs, whereas OPT B & C do not allow for credit pooling.
Do you support the Government's preferred option (Option B)? (optional)	No
Do you have any feedback on the analysis approach and key assumptions used?	1. The NVES proposal references the US Standard (see Figure 11 and Figure 12 on page 37) but fails to specify the source and how this target was calculated.,



<p>(optional, 3000 character limit)</p>	<p>2. A number of figures and claims referenced throughout the NVES proposal demonstrate a saving of fuel and reduction of total emissions, without supporting analysis such as total cost of ownership, modelling, or links to sources.</p> <p>3. Our projections indicate that OPT B will place financial pressure on IUA and the majority of other OEMs, which may force an increase to vehicle prices to cover penalties incurred. OEMs that do not increase vehicle pricing to cover the penalties incurred risk leaving the Australian market due to increased operational expenses. As OEMs are forced to leave the market, competition may weaken; potentially allowing surviving OEMs to dominate the market through the capitalisation of NVES credit sales or through selling vehicles at higher prices due to lack of competition.</p> <p>4. With new vehicle prices projected to increase as a result of penalties incurred, existing owners may decide to continue to drive their older, likely less efficient and potentially less safe vehicles for longer, due to them being affordable and fit for purpose, i.e. towing, payload, range, recreation, etc. Not only will this result in the overall failure to reduce CO2 emissions, but it is highly likely that motorists will need to compromise on their lifestyle and vehicle usage, similar to what the NZ industry has experienced off the back of the Clean Car Discount legislation, which was recently repealed on 31st December 2023.</p> <p>5. Not all vehicles are created equally, but under the NVES proposal small hatchbacks and Large SUVs are grouped together and subjected to the same CO2 emissions calculation methodology, which is unreasonable, as different vehicle types serve different purposes e.g. a small hatchback is not built to tow a trailer or carry a load or go off road.</p> <p>6. The NVES proposal doesn't take into consideration automotive technology development cycles, whereas the US and EU CAFE Standards set their targets based on a forecast in alignment with emission technology developments. Under the NVES, it is not possible for auto manufacturers to pivot in the timeframe proposed to meet such an aggressive timings.</p> <p>7. To ensure ongoing product choice for all Australians, it is important to ensure that all manufacturing countries continue to bring product into Australia. The introduction of OPT B or C may have the potential impact that sees Australia become more reliant on a limited number of manufacturing countries, leaving the automotive supply chain at risk in the future.</p> <p>8. Australia currently has inadequate EV charging infrastructure in place, with a fraction of DC fast charging stations available—far less than that seen in the US and EU. Without a suitable network of</p>
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	chargers, the geography, lifestyles and work vehicle needs of Australian motorists make the transition to EVs difficult.
Briefly, describe how the NVES might impact your organisation (optional, 3000 character limit)	Isuzu is a specialised LCV brand, with a limited portfolio of vehicles available, and does not currently have access to alternative low- and zero-emission vehicles to offset the fleet CO2 emission output. - While the brand is developing a battery-electric LCV for the EU market, due to the infancy of BEV technology in light commercial vehicles, it will take time to develop BEV utes and large-SUVs that are both affordable and fit for the specific needs of Australians, and will not be available locally within the short term. - Under the NVES, IUA and its network of Dealers would be subjected to severe financial penalties, which may be passed on to the customer.
Who should the regulated entity be? (optional, 3000 character limit)	Under EU and US FES regulations, OEMs are responsible. However, given the unique situation seen in Australia, we agree that it should be regulated by the importer or distributor.