



Road Vehicle Standards Bill 2017

Second Stage Manufacture

The Road Vehicle Standards Bill 2017 is intended to replace the *Motor Vehicle Standards Act 1989* (MVSA) to implement the Australian Government's announced Reforms to the regulatory framework for the safety, environmental and anti-theft performance of all road vehicles being provided to the Australian market for the first time – both new and used. The reforms will deliver modernised legislation to increase community safety and remove unnecessary processes for businesses.

The Australian Government has released an Exposure Draft of the Road Vehicle Standards Bill for public information. The Bill will need to be debated and passed by both Houses of Parliament before it becomes law. This is expected to happen in 2018. More details are below.

Second stage manufacturers will benefit with provision in the *Road Vehicle Standards Act (RVSA)* to leverage off existing type approvals for base vehicles. In addition, there will be no vehicle number limits for any Second Stage Manufacture (SSM) approval.

These changes should assist businesses to streamline their operations and gain more efficiencies through the approval process.

The RVSA will allow for vehicles which have undergone a SSM in one of two pathways:

1. Type Approval; or
2. Individual Vehicle approval via Registered Automotive Workshops (RAWs).

Specific vehicle requirements apply for each RVSA pathway.

Second Stage Manufacture (SSM) pathway requirements

A base vehicle on which SSM is to occur must be:

- New. The vehicle must not have been used on public roads in Australia or overseas prior to SSM;
- Covered by a type approval under the RVSA; and
- Be entered on the Register of Approved Vehicles (RAV) by the first stage type approval holder.

Second stage of manufacture type approvals

Requirements for a SSM type approval will align to other type approvals.

The SSM approval holder must:

1. Provide evidence that the final vehicle complies with the relevant standards. However, the second stage manufacturer may also leverage off approvals already granted for the base vehicle, in which case, only evidence that the alterations made by the secondary manufacture meet relevant standards will need to be provided. The second stage manufacturer will have the option to use a Model Report (MR) to provide evidence in relation to the modifications.
2. Have access to design and production facilities of the vehicle elements not covered by the base vehicle type approval.

An approval lasts for 5 years at which point a further approval may be sought.

Second stage individual vehicle approval via RAWs

SSM individual vehicle approval occurs via the Registered Automotive Workshops (RAW), MR and AVV pathway. A RAW may seek individual vehicle approval rather than a Type Approval if the manufacturer does not have sufficient access to design and production facilities for the vehicle.

There is no requirement for the vehicle to be on the Specialist and Enthusiast Vehicle Register (SEV Register) to be eligible to use a MR. However, there must be an approved MR for the modified vehicle setting out the evidence for compliance, work instructions and a checklist. The second stage manufacturer may also use approvals for the base vehicle as evidence of compliance when standards are unaffected by the secondary manufacture. As such, evidence reduces to only the standards affected by the secondary manufacture.

A MR approval does not expire although changes to the report may be required should the relevant standards change, or there is a variation to the base vehicle type approval.

Transitional arrangements

All SSM approval holders under the MVSA (holders of either a low or a full volume approvals) will have a transitional period of 12-months from the commencement of the RVSA to continue to operate under the MVSA and decide whether to seek a type approval, or to undertake SSM modifications to individual vehicles as a RAW, under the RVSA.

For Full Volume MVSA Type Approval holders, opt-in arrangements exist for the first 6 months of this transitional period which provide significant concessions on the provisions of the new evidence.

MVSA SSM approval holders opting for an individual vehicle approval pathway will require an approval for both a MR and a Registered Automotive Workshop. AVV verification services will also need to be sourced for each vehicle via commercial arrangements.

Compliance & enforcement

Compliance with, and enforcement of, RVSA obligations will be supported by enhanced monitoring and investigation powers, and new enforcement tools including infringement notices, civil penalties and enforceable undertakings under the *Regulatory Powers (Standard Provisions) Act 2014*.

Information technology

As a result of the introduction of the RVSA, IT systems will be updated to cater for these changes to SSM arrangements.

Other relevant information sheets

More information on:

- RAWs can be found at information sheet 2
- MRs can be found at information sheet 3
- AVVs can be found at information sheet 4
- Full volume new vehicles can be found at information sheet 6
- Register of Approved Vehicles (RAV) can be found at information sheet 10

For further information

Please visit our website https://infrastructure.gov.au/vehicles/mv_standards_act/