



Road Vehicle Standards Bill 2017

Overview

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.

Reforming the Motor Vehicle Standards Act 1989 (MVSA)

The *Motor Vehicle Standards Act 1989* (MVSA) controls the safety, environmental and anti-theft performance of all new and used road vehicles entering the Australian market for the first time.

There have been significant changes in global and domestic automobile markets and improvements in vehicle technologies since previous reviews of MVSA over 17 years ago.

The Australian Government began a comprehensive review of MVSA in 2014, including significant public consultation over three years. The Department of Infrastructure and Regional Development (the Department) received submissions, which indicated the need for renewal and modernisation of MVSA so that it aligned with the local and international market needs.

The focus of change is to strengthen and modernise the legislation and continue to deliver world-leading standards in community and environmental safety. In addition, the reforms are expected to save industry up to \$70 million a year in lower regulatory compliance costs.

The new legislation will further harmonise Australia's vehicle standards with global standards. In addition, it will bring about a number of other changes to the regulation of road motor vehicles and the associated administrative processes, including:

- improving consumer access to imported specialist and enthusiast vehicles;
- simplifying the process for importing vehicles through the Registered Automotive Workshop Scheme (RAWS) while improving the quality assurance of those vehicles;

- simplifying the pathways for importing vehicles granted concessions against national vehicle standards;
- streamlining the supply of mainstream (full volume) new vehicles;
- strengthening the compliance and enforcement powers of the Department;
- enhancing and replacing IT systems utilised to support administration under MVSA; and
- clarifying suppliers' recall responsibilities for all vehicles.

The Australian Government has also amended the *Customs Tariff Act 1995* to remove the \$12,000 special duty on imported used vehicles, from 2018.

Implementation

The Australian Government will introduce the Road Vehicle Standards Bill into the Parliament early in 2018. It is expected to be debated and passed by the Parliament in 2018 (although both the timing and the decision are ultimately a matter for the Parliament to decide). The reforms will commence 12 months after the passage of legislation as the *Road Vehicle Standards Act (RVSA)*.

In the legislation package, there is also a Consequential and Transitional Provisions Bill which will provide for a 12 month transitional period after commencement to allow businesses to adapt to the new arrangements. During this transitional period some aspects of the MVSA will continue, particularly for Registered Automotive Workshops (RAWs) and Specialist and Enthusiast Vehicles (SEVs).

Further details on administrative and legislative arrangements for each scheme are available in the relevant information sheets on the Departments website.

Specialist and enthusiast vehicles (SEV) register and criteria

The Register of Specialist and Enthusiast Vehicles (SEV Register) lists vehicles that are of specialist or enthusiast interest, not available in the Australian market and/or require some concessions against the Australian Design Rules (ADRs).

The RVSA will change the eligibility criteria to more objectively reflect specialist and enthusiast needs when determining whether a vehicle is suitable to go onto the SEV Register.

Under the Registered Automotive Workshops scheme, vehicles on the SEV Register can be approved for importation if they have not been provided to the Australian market under a type approval and meet one of six criteria:

1. **performance** – high-performance vehicles with specifications (e.g. power to weight ratio) significantly superior to mainstream vehicles in Australia;

2. **environmental** – vehicles that offer environmental performance (e.g. emissions of carbon dioxide per km) significantly superior to mainstream vehicles in Australia;
3. **mobility** – vehicles manufactured with special features to assist people with a disability;
4. **rarity** – vehicles of which only small quantities have been produced;
5. **left-hand-drive** – vehicles originally manufactured as left-hand-drive, of which right-hand-drive versions are not available in any other country;
6. **motorhomes and campervans** – a vehicle must have been originally manufactured as a campervan or motorhome.

Motorists will now be able to access genuine specialist and enthusiast vehicles without undermining the legislation's purpose of maintaining community safety.

Further details on the changes to the administration of the Register of Specialist and Enthusiast Vehicles is available in *Information Sheet 1*.

Registered Automotive Workshops Scheme (RAWS)

Changes to the Registered Automotive Workshop Scheme (RAWS) will reduce regulatory costs to businesses and deliver improvements in community safety and consumer protection.

The new RAWS will encompass some vehicle types currently supplied under the existing RAWS and New Low Volume scheme. The current New Low Volume scheme will not exist under the RVSA.

Changes to the RAWS include:

- RAWS will be able to import eligible new and used vehicles listed on the SEV Register.
- Removal of the current processing cap on vehicles for each workshop.
- Simplification of the approval process for becoming a RAW. The Department will only require confirmation of workshop particulars and ISO 9000 (Quality Management Systems) accreditation.
- A third party Authorised Vehicle Verifier (AVV) will assess all RAWS vehicles on a user-pay basis to ensure modifications are appropriately completed and vehicles are free from structural damage.
- The introduction of Model Reports will reduce the amount of evidence RAWs are expected to supply.
- The reduction of sample vehicle testing and modification requirements for RAW vehicles.

For more information on the changes to RAWS, please refer to *Information Sheet 2*.

Model Reports

Model Reports (MRs) will streamline and reduce the amount of compliance documentation for evidence required from RAWs. Heavy trailer and second stage manufacturers will also have the option to use MRs.

A MR is a package of evidence specific to a vehicle model prepared by a Model Report author (evidence provider) and submitted to the Department for assessment. It will include designs, test evidence and steps for modification and/or manufacture. The model of vehicle can then be modified, or in the case of heavy trailers be built, in accordance with the MR and meet the applicable standards.

Any person may submit a MR to the Department, using a template with four MR components.

1. Header information
2. Evidence such as test reports
3. Work instructions
4. A checklist for the AVV and RAWs

Component 1 (Header information) of an approved MR will be publically available via the MR register (subject to the approval holder's agreement). This information will allow the public and RAWs to contact the MR approval holder. The MR approval holder may choose to sell components of the approved MR for shared use.

AVVs will access the checklist of approved MRs via the Department.

For further information on how MRs will operate, please refer to *Information Sheet 3*.

Authorised Vehicle Verifiers (AVVs)

New legislation will facilitate the establishment of a network of approved corporations known as AVVs to verify that vehicles entering Australia via a Registered Automotive Workshop (RAW) comply with relevant standards. AVVs will be an independent vehicle inspection and verification service intended to provide greater assurance of vehicle integrity and compliance. Some of the things AVVs will be required to check include:

- any vehicle modifications undertaken by RAWs have been carried out in accordance with the relevant approved MR;
- the vehicle does not have any structural damage or corrosion; and
- the vehicle's odometer reading accurately reflects the vehicle's mileage.

AVVs can operate outside Australia. Companies interested in applying to be an AVV, may apply through the Department approximately 3 months prior to the RVSA commencing.

For further information on how AVVs will operate, please refer to *Information Sheet 4*.

Concessional imports

Concessional imports under the legislation allows vehicles to enter Australia under a range of special circumstances. Two streams will replace the current 12 concessional import options:

1. **Road use vehicles** – permitted for general road use and included on the Register of Approved Vehicles (RAV). Concessions for vehicles such as older vehicles, specialist and enthusiast vehicles or vehicles owned and used overseas for a minimum of 12 months by migrants or returning Australians. Other vehicles types include: small road trailers, non-compliant plant and equipment where a standard vehicle cannot perform the function (such as drilling rigs, cranes, city utility vehicles such as fire tenders, garbage trucks and street sweepers).
2. **Temporary / non-road use vehicles** – not permitted for general road use, and not entered on the RAV. This concessional import option allows for temporary importation and for vehicles not permitted for use on public roads, for example: vehicles for exhibition, test vehicles, race and rally vehicles, heavily modified vehicles including custom vehicles and 'hot rods'.

For more information on the changes to concessional imports, please refer to *Information Sheet 5*.

Type approved new vehicles

Type approved new vehicles are new motor vehicles and trailers that fully comply with the national standards and are approved for unrestricted supply to the Australian market. Changes to the legislation and administrative processes controlling type approved vehicles will:

- Replace the 'identification plates' by providing the vehicle information on an online Register of Approved Vehicles (RAV);
- require a secure vehicle identification marking on new vehicles to provide a significant deterrent to motor vehicle theft for re-birthing;
- accelerate harmonisation of Australian vehicle standards and requirements with United Nations regulations, maintaining the Australian Design Rules (ADRs) as the mechanism for implementing these standards in Australia;
- improve business systems to streamline certification, including vehicles covered by an International Whole of Vehicle Type Approval (IWVTA);
- establish appropriate certification requirements for trailers under 4.5 tonnes (imported or locally built); and
- introduce the option to use a MR to facilitate certification of heavy trailers.

For more information on the changes to full volume type approved vehicles, please refer to *Information Sheet 6*.

Testing facilities

Under the new Act, testing facilities will need to apply for an approval and declare that the facility has the appropriate staff, testing procedures, records management, and calibration procedures meeting the requirements of the tests being performed. Testing facilities interested in applying for an approval may do so through the Department up to 3 months prior to the RVSA commencing. When the RVSA commences, vehicle approval applicants required to provide test evidence will need to use an RVSA approved testing facility.

For further information on how testing facilities will operate, please refer to *Information Sheet 7*.

Second stage manufacturers

Requirements for a Second Stage Manufacture (SSM) type approval will align to other type approvals. The SSM approval holder must:

1. Provide evidence that the 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 against the standards impacted by the second stage of manufacture will need to be provided.
2. Have access to design and production facilities of the vehicle elements not covered by the base vehicle type approval.

For further information on how SSM will operate, please refer to *Information Sheet 8*.

Trailers

The RVSA introduces a new type approval pathway for certification of light and heavy trailers, whether they are imported or locally manufactured.

Currently, trailer manufacturers are required to undertake state inspections to register a light trailer and meet Vehicle Standards Bulletin 1 (VSB1) or the applicable ADRs.

The RVSA will introduce a system where an applicant provides a guarantee the light trailer demonstrates compliance without having to undertake a further inspection.

To reduce certification costs, heavy trailer manufacturers can use Model Reports - meaning any designs, test evidence and modification procedures only need to be examined and approved once by the Department and can then be used by multiple workshops or vehicle builders.

A checklist for each heavy trailer Model Report will have the specifications required to be met by the manufacturer or modifier and for use by an independent inspector to confirm compliance of a vehicle.

For further information on how light and heavy trailers will operate, please refer to *Information Sheet 9*.

Component type approvals (CTAs)

The current Component Registration Numbers (CRN) and the Sub-Assembly Registration Number (SARN) will combine to become the Component Type Approvals (CTA). To obtain a CTA, applicants will need to demonstrate that they have a direct link to the component manufacturer, and are able to supply documentation and access to their production and design facilities upon request. CTAs will only be issued for components to be used in the manufacture of new approved vehicles.

For more information on the changes to full volume type approved vehicles and components, please refer to *Information Sheet 6*.

Register of Approved Vehicles (RAV)

The Register of Approved Vehicles (RAV) will be an online, publicly searchable database of vehicles approved for use on Australian roads. This replaces the need to fit road vehicles with identification plates containing compliance information and a certification statement from the manufacturer.

A permanent Vehicle Identification Number (VIN) will continue to be required on road vehicles supplied to the Australian market. All new vehicles will also require secure vehicle identification marking to provide a significant deterrent to motor vehicle theft for re-birthing. Trailers will retain the existing physical 'trailer plate' due to the need for visibility of load limits as well as needing to be entered on the RAV.

All approved vehicles on the RAV will be linked to the physical vehicle through the VIN. The RAV will be searchable (one VIN at a time) to provide information about approved road vehicles.

For further information on how the RAV will operate, please refer to *Information Sheet 10*.

Compliance and enforcement

An enhanced and modernised suite of compliance monitoring and enforcement tools is being introduced to deter and detect non-compliant behaviour. This will in turn encourage compliance and conformity through improved regulatory performance and strengthen the legislation's benefits to the community.

Vehicle Safety Standards Inspectors will be empowered under the *Regulatory Powers (Standard Provisions) Act 2014* to monitor compliance and investigate potential non-compliance with Road Vehicle Standards legislation.

A range of enforcement tools provided under the *Regulatory Powers (Standard Provisions) Act 2014* will allow for an efficient and appropriate response to addressing identified breaches of the legislation. In addition to the current powers to vary, suspend or revoke approvals, and bring proceedings for criminal offences, these new tools include:

- infringement notices (administratively applied financial penalties);
- civil penalty orders (court imposed financial penalties);

- enforceable undertakings; and
- injunctions.

Recalls

The new legislation will allow for the voluntary and compulsory recall of road vehicles for significant safety issues or standards non-compliance. This mirrors the safety recall provisions in the *Australian Consumer Law (ACL)*, and extends it to cover non-compliance with technical standards and vehicles not covered by the ACL, such as trucks, buses and large trailers.

Information technology

A key component of the Australian Government's reform agenda will be the upgrade of the Information Technology (IT) systems currently in use to improve the user experience and to support business processes. The IT refresh will include enhancements to existing systems, particularly the Vehicle Imports System (VIS), the Replacement of the Road Vehicle Certification System (RVCS) and the decommissioning of some systems currently in use. New program elements will be introduced into existing systems, including, MRs and Authorised Vehicle Verifiers (AVVs). The Register of Approved Vehicles (RAV) will begin operating when the RVSA commences. It is anticipated the IT upgrade will be rolled out progressively over the next 2-3 years with opportunities for consultation to be progressed with stakeholders over that time.

Further information

For more information on the Motor Vehicle Standards Act reforms, please see the [MVSA Reform page](#) on the Department's website: www.infrastructure.gov.au/vehicles/mv_standards_act.