



Australian Government

**Department of Infrastructure, Transport,
Regional Development and Communications**

**Deputy Secretary
Diane Brown**

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Mr Jason Lange
Executive Director
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Dear Mr Lange

**Regulation Impact Statement – Heavy Vehicle Emission Standards for Cleaner Air –
Second Pass Final Assessment**

I am writing in relation to the attached Regulation Impact Statement (RIS) – Heavy Vehicle Emission Standards for Cleaner Air.

I am satisfied that the RIS addresses the concerns raised in your letter of 8 December 2021. Specifically it:

- Clarifies the Australian Government’s overarching objectives in dealing with the policy problem (through closer alignment with international vehicle standards).
- Updates the options section to specifically include the approach canvassed in the consultation RIS (adopting Euro VI (Stage D) from 2027), as a discrete option. This option is discussed as Option 3a in the updated RIS.
- Further explains how particular stakeholders are affected and the assumptions and methodology used to calculate these impacts.
- Clarifies the transitional arrangements for existing models meeting the current Euro V standard. Under the recommended option, existing models may continue to be supplied until 31 December 2024.

The RIS has also been updated to clarify the status of the Australian Government’s proposal to allow wider trucks and trailers, if they are also fitted with additional safety features (OBPR Ref 21-01048). Although this proposal was agreed in principle by the Assistant Minister to the Deputy Prime Minister in October 2020, it will be subject to the outcome of a regulatory impact analysis, before a final

decision is made to implement this change through a new legislative instrument under the *Road Vehicle Standards Act 2018*.

The regulatory cost associated with the final recommended option (Option 3b – adopt Euro VI Stage C from 2024-2025) is \$205.7 million per year. As advised in my letter dated 6 December 2021, it is proposed that this will be fully offset through the ongoing regulatory program for increased harmonisation of the ADRs with international standards and removal of Australian-specific content from the ADRs.

Accordingly, I am satisfied that the RIS is consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Regulatory Impact Analysis*.

I submit the RIS to the Office of Best Practice Regulation for formal final assessment.

Yours sincerely



Diane Brown
Deputy Secretary, Transport
Department of Infrastructure, Transport, Regional Development and Communications

16 December 2021