

MOTOR VEHICLE STANDARDS ACT 1989

**Vehicle Standard (Australian Design Rule 80/02 —
Emission Control for Heavy Vehicles) 2006**

EXPLANATORY STATEMENT

**Issued by the authority of the Minister for Local Government,
Territories and Roads**

December 2006

1. Legislative Context for ADR 80/02

Vehicle Standard (Australian Design Rule 80/02 — Emission Control for Heavy Vehicles) 2006 is made under the *Motor Vehicle Standards Act 1989* (the Act). The Act enables the Australian Government to establish nationally uniform standards for road vehicles when they are first supplied to the market in Australia. The Act applies to such vehicles whether they are manufactured in Australia or are imported as new or second hand vehicles.

The making of the vehicle standards necessary for the Act's effective operation is provided for in section 7 which empowers the Minister to "determine vehicle standards for road vehicles or vehicle components".

2. Content and Effect of ADR 80/02

ADR 80/02 prescribes the emission limits for heavy vehicles, and the standard test methods for measuring those emissions. ADR 80/02 has significantly lowered emission levels of air pollutants from new heavy vehicles and has brought Australian standards into closer alignment with international standards.

ADR 80/02 adopts as its primary standards:

- for diesel, LPG and natural gas engines, the *Euro 4* emission standards, by inclusion of the full text of European Commission Directives 2005/55/EC, 2005/78/EC and 2006/51/EC as Appendix A, B and C, respectively¹; and
- for petrol engines, the *Euro 3* emission standards by reference to United Nations Economic Commission for Europe (UN ECE) Regulation 83/05².

ADR80/02 accepts as alternative standards:

- for diesel engines, the US Environment Protection Agency (EPA) 2004 standards (Code of Federal (CFR) Regulations 86.004-11)³ and Japanese JE05 long term standards⁴;
- for LPG and natural gas engines, the US EPA 2004 standards (CFR 86.004-11); and
- for petrol engines, the US EPA 1998 standards (CFR 86.098-10).

¹ European Commission Directives, including those incorporated in ADR80/02 and other EC Directives cross referenced in those Directives, are available at: http://europa.eu.int/eur-lex/en/search/search_lif.html. ISO documents cross referenced in the Directives are available at <http://www.standards.com.au/catalogue/script/search.asp>

² ECE Regulation 83 is available at : <http://www.unece.org/trans/main/wp29/wp29regs.html>

³ US EPA vehicle emission standards are available from http://www.access.gpo.gov/nara/cfr/waisidx_04/40cfr86_04.html

⁴ English versions of the Japanese vehicle emission standards are contained in the Automobile Type Approval Handbook available from http://www.jasic.org/e/index_e.htm

3. Consultation Arrangements

3.1 General Arrangements

It has been longstanding practice to consult widely on proposed new or amended vehicle standards. For many years there has been active collaboration between the Australian and the State/Territory Governments, as well as consultation with industry and consumer groups. Much of the consultation takes place within institutional arrangements established for this purpose. The analysis and documentation prepared in a particular case, and the bodies consulted, depend on the degree of impact the new or amended standard is expected to have on industry or road users.

A Memorandum of Understanding (MOU) between the National Transport Commission (NTC) and the National Environment Protection Council (NEPC) sets out the consultative arrangements governing the development of vehicle emissions and noise standards and other vehicle/environmental issues. The MOU established the Land Transport Environment Committee (LTEC) (consisting of four representatives each from transport and environment agencies), to undertake an agreed work program consistent with the MOU.

Depending on the nature of the proposed changes, consultation may involve the Transport Emissions Liaison Group (TELG), Transport Agencies Chief Executives (TACE), National Environment Protection Council Committee (NEPC Committee), Environment Protection and Heritage Council (EPHC) and the Australian Transport Council (ATC).

TELG is the main consultative group that supports LTEC. It contains representatives of:

- transport and environment agencies ;
- the manufacturing arms of the vehicle and fuels industry (including the Federal Chamber of Automotive Industries, the Truck Industry Council and the Australian Institute of Petroleum);
- road user organisations (the Australian Automobile Association and the Australian Trucking Association); and
- the National Environment Consultative Forum.

TACE consists of the chief executives of national and State/Territory departments of transport and road vehicle administrations.

ATC consists of the Commonwealth, State/Territory and New Zealand Ministers with responsibility for transport issues. NEPC consists of Commonwealth and State/Territory Ministers with responsibility for environment issues.

Editorial changes and changes to correct errors are settled by agreement between the Department of Transport and Regional Services and the NTC. This process is only invoked where the amendments do not vary the intent of the national standard.

New standards, or significant changes that increase the stringency of existing standards, are subject to consideration by ATC Ministers. Unless disapproved by a majority of ATC Ministers, the Minister for Local Government, Territories and Roads, can then determine the new or amended standards, under the authority of the Minister for Transport and Regional Services. Proposals that are regarded as significant need to be supported by a Regulation Impact Statement meeting the requirements of the Office of Regulation Review as published in *A Guide to Regulation*.

In November 2005, ATC agreed to streamlined arrangements for processing ADRs which removed the need for a formal ATC vote where the ADR proposals are non-controversial and harmonised with international regulations.

3.2 Specific Arrangements for this ADR

ATC agreed in April 2005 to a package of new emissions ADRs, including the *Euro 4* and *Euro 5* standards for heavy vehicles. The *Euro 4* standards were subsequently adopted in ADR80/01. At the time, Ministers noted that additional technical elements for *Euro 4* and *Euro 5*, including on board diagnostics, had yet to be finalised by the European Commission. ATC agreed that when finalised, these elements should be incorporated into the relevant ADRs.

Draft revised ADRs - ADR80/02 and ADR80/03 – which reflected these technical elements were developed by DOTARS under the umbrella of the Land Transport Environment Committee (LTEC). LTEC has been established to provide advice on vehicle emissions issues to both ATC and the Environment Protection and Heritage Council. In July 2006, the revised ADRs were released for public comment.

Twelve submissions were received from both government and industry sectors during the public comment period. All government submissions supported the proposed ADR80/02 which adopted the revised *Euro 4* requirements and accepted a range of alternative US and Japanese standards assessed as offering equivalent levels of emissions control. Key industry groups, including the major manufacturers represented by the Truck Industry Council and the Bus Industry Confederation, supported the introduction of ADR80/02.

The Office of Regulation Review has advised (ref no 8621) that a Regulation Impact Statement (RIS) was not required for ADR80/02 as the RIS prepared in 2004 - *Vehicle Emissions and Fuel Quality Standards for the Post 2006 Period* - addresses the implementation of the content of ADR80/02 and therefore the preparation of a further RIS is not required.

As ADR80/02 has broad support and is consistent with international regulations, it has been determined by the Minister for Local Government, Territories and Roads, in consultation with Ministers of the Australian Transport Council, using the streamlined process agreed to by the ATC.