

Q&As: Proposed import restrictions to reduce vehicle emissions

20 December 2006

The government is proposing to introduce a vehicle emissions technology standard that vehicles will need to meet before they can be imported

1. What are the minimum exhaust emission standards?

Cabinet agreed that the Ministry of Transport consult on a table of increasing emission standards that will be implemented over coming years.

Japanese <u>petrol</u> vehicle standard	Year to adopt as minimum standard in New Zealand	Number of years lag from implementation in Japan
Japan 00/02	2008	6-8 (depending on model)
Japan 05	2010	5
Japan 09	2013	4

Japanese <u>diesel</u> vehicle standards	Year to adopt as minimum standard in NZ	Number of years lag from implementation in Japan
Japan 02/04	2009	5-7 (depending on model)
Japan 05	2010	5
Japan 09	2013	4

2. Has the Government agreed to these standards?

No. These proposals are being put forward for consultation as part of the Land Transport Rule-making process, but the Government has shown a preference for strong action on vehicle emissions. The Rule making process, including consultation, is expected to allow these standards to be introduced from 2008, but the timing for introduction will depend on the outcome of the consultation.

3. Are there any other interim standards that could be implemented?

Emission standards are not updated every year. These are the only standards from Japan that are relevant.

4. These standards only refer to Japan. What about standards from other jurisdictions like the Euro standards?

Between 95 and 97% of used vehicles imported into New Zealand are built to Japanese domestic standards.

The final Rule will include equivalent standards from other jurisdictions, including Europe, America and Australia.

5. Will the introduction of these standards restrict the import of used vehicles?

Based on current trends, if introduced in 2008, the petrol vehicle standards would prevent around half the vehicles currently being imported from being allowed to enter the fleet. The effects on diesel vehicles will be similar, however, the actual number of vehicles affected will be much smaller.

6. Will the introduction of these standards have a significant effect on vehicle purchasers?

There are expected to be few direct social consequences from the policy because it does not result in any sudden loss of vehicle, which can lead to social exclusion, and it does not cause any unexpected (and unavoidable) spikes in the cost of living. This is largely due to the very large fleet of second hand vehicles that people may purchase from instead of purchasing a used import.

7. What about the seven year rolling age ban?

The Government has not ruled out introducing an age related restriction at some point in the future. However, the proposed standards will effectively limit the import of all vehicles not built to recent standards, including safety standards, so it will have the same effect.

8. What emission tests will be applied to vehicles at the time of certification?

The Government has agreed that because the vehicles are built to Japanese standards, it will use the Japanese in-service tests relevant to the vehicle's age and fuel type. For the petrol vehicles this will be an idle test for carbon monoxide (CO) and hydrocarbons (HC). For diesel vehicles it will be a snap acceleration test, with a requirement for smoke levels to be less than 25%. If the Japanese Government introduces other tests in coming years it is expected these would also be required.

9. Didn't the New Zealand Government reject similar tests as being "inaccurate"?

The Japanese government has determined that these tests are suitable for these vehicles. The tests are intended to determine whether the vehicle's emission control equipment is working as designed. The tests are not intended to measure actual emissions.

In New Zealand the tests were not considered to be appropriate for those vehicles already in our fleet that were not built to the Japanese standard or not built to any standard.

10. Will the rule apply to historic vehicles?

The Government has agreed to exempt the import of historic vehicles and others that would normally be exempt from the vehicle standards regime. Historic vehicles will also not be required to undertake a modern metered emissions test at time of certification, but would still be required to undertake the inspection for visible smoke introduced in October 2006.

11. What will be the climate change and safety benefits from the proposed Rules?

As a general rule, newer vehicles are safer and more fuel efficient than earlier models because there have been improvements in engine technologies, materials and aerodynamics. It is reasonable to expect that if importing patterns remain constant (ie there is not a shift to larger engined vehicles or vehicles with less safety features) that there would be fuel economy and safety benefits from such a restriction. This is particularly true of imported used Japanese vehicles because industry fuel economy targets have lead to measurable improvements across the Japanese fleet¹.

12. Will the Government require metered testing of these vehicles in New Zealand at Warrant of Fitness (WOF) or Certificate of Fitness (COF)?

The Ministry of Transport is looking at this and will consider it separately.

13. Will the new vehicle standards increase prices?

Because New Zealand imports its new vehicles from jurisdictions that already require these standards there will be no increase in price, over what importers would have faced.

14. Are these controls on the import of vehicles?

No. The controls will apply at the time of first certification for use on New Zealand roads. As with existing standards, a vehicle that does not meet a standard may continue to be imported and:

- a. used on private roads,
- b. be repaired or otherwise brought up to standard, or
- c. be broken up for part.

15. How will reducing harmful emissions contribute to government objectives?

¹ By 2004 seventy percent of all vehicles sold in Japan either met or exceeded the Japanese Government's 2010 fuel consumption target of 6.5 l/100km.

It contributes to:

- the National Environmental Standards for Air Quality regulated under the RMA,
- the New Zealand's Transport Strategy's goals of protecting and promoting public health and ensuring environmental sustainability and
- the National Energy Efficient and Conservation Strategy, Sustainable Development Programme of Action and the Climate Change Programme objectives.