Transport and Infrastructure Net Zero Consultation Roadmap

Take the survey

Department of Climate Change, Energy, Environment and Water

Response received at:
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Yes

5 First name
Not answered

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9 Who are you answering on behalf of?

Organisation

10 Organisation name

Australia Post

11 What best describes you or your organisation?

Not answered

12 What sector do you represent?

Not answered

13 What state or territory do you live in?

Victoria

14 Postcode

3121

15 What area best describes where you live?

City

16 1. Do you support the proposed guiding principles?

Yes

17 1.1 Please add details to your response.

The principles outlined in the consultation paper are helpful but could be expanded to provide
a more robust framework. The Department should consider:
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• Being explicit about taking a data-driven approach, with robust data samples and modelling to understand current emissions (from end-to-end supply chain, through to the

lifecycle of vehicles and infrastructure), project future trends, and evaluate the impact of decarbonisation strategies.
• Incorporating resilience planning, to ensure policy and actions can adapt to climate impacts on transport infrastructure, including extreme weather events.
• Including harmonisation as a standalone principle, to ensure efforts are coordinated both
within government and across governments, and that supportive policies, regulations, and
incentives are coherent.
• Expanding the scope of the evidence driven principle, to make clear that government will
play a role in enabling the development and adoption of new technologies by supporting targeted research and development.
In addition to expanding these principles, Australia Post encourages the Department to consider
their application in broadest sense. For example, when considering the principle of 'inclusive
and equitable', future policy, programs or other forms of intervention should minimise inequitable market distortion, particularly in the commercial transport sectors. To the extent
possible, market forces guided by policy should determine the best allocation of resources
toward transport modes.
Finally, the Department should consider establishing mechanisms for continuous monitoring,
reporting, and evaluation of progress, with dedicated channels to provide feedback and improve
the Roadmap over time. This is particularly important given the 2050 horizon, the increasing
impacts of climate change, and the potential for technological advancements in the intervening
years.

18 2. Do you support the use of the avoid-shift-improve framework as a tool to identify opportunities for abatement?

Not answered

19 2.1 Please add details to your response.

Not answered

20 3. Do you agree the development of a national policy framework for active and public transport will support emissions reduction?

Not answered

21 3.1 Please add details to your response.

Not answered

22 4. What should be included in a national policy framework for active and public transport and how should it be developed?

Not answered

23 5. What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to ensure the movement of people contributes to transport emissions reduction?

Not answered

24 6.1 What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to ensure that the movement of goods contributes to transport emissions reduction?

Not answered

25 6.2. How would these actions address the identified challenges and opportunities for emissions reduction in the movement of goods?

On this basis, Australia Post makes the following recommendations:
1. Take a two-pronged approach to the decarbonisation of road freight: first, by setting a clear
pathway to enable rapid acceleration of the production and availability of 'drop-in' low carbon fuels at scale, ensuring policy settings do not inadvertently favour one transport mode over another (i.e. aviation over road transport); and secondly, by prioritising solutions
that are already available in short-haul road freight.
2. Introduce a low carbon fuel standard to accelerate the equitable and orderly transition of
Australia's liquid fuels sector and drive uptake of sustainable fuels. The government's

policy
response should support sustainable, reliable, high-quality feedstock that can be used to underpin the necessary capital investment required to establish domestic processing of low
carbon liquid fuels.
3. Build demand for low and zero emissions vehicles by offering tax credits and developing
incentives to make them competitive assets for business investment, particularly given the
government's decarbonisation pathway would benefit from the 'early' retirement of existing
fossil fuel-based fleet assets.
4. Provide reliable data, tools, and analysis to support industry decarbonisation. Build regular
review into decarbonisation plans to ensure actions are having the desired impact.

5. Coordinate policy responses across all tiers of government, targeting national consistency
for steer axle loads, road access, and recharging and related energy distribution infrastructure.
6. Deliver support for the uptake of renewable power generation at transport depots and warehouses, including necessary upgrades to the power transmission networks to allow for
feed-in to the state and national grid.
7. Invest in the development and maintenance of key freight corridors, including highways,
rail lines and port facilities, prioritising projects that enhance connectivity and streamline the movement of goods.
8. Reduce technological uncertainty by providing guidance, supporting vehicle trials, and demonstrating integrated use-cases for long-haul trucks.

26 7. Do you agree with the proposed net zero pathway for light road vehicles?

Not answered

27 7.1 Please add details to your response.

Not answered

28 8. The Australian Government is currently developing an Australian New Vehicle Efficiency Standard and has already begun to implement actions in the National Electric Vehicle Strategy.8.1 What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to reduce light vehicle emissions?

Not answered

29 8.2 How would these actions address the identified challenges and opportunities to reduce light vehicle emissions?

Not answered

30 9. Do you agree with the proposed net zero pathway for heavy road vehicles?

Not answered

31 9.1 Please add details to your response

Not answered

32 10. The proposed pathway for heavy road vehicles relies on a mix of battery electric, hydrogen fuel-cell and low carbon liquid fuels.Rank from 1 to 3, the order in which these should be prioritised for emissions reduction.

Not answered

33 10.1 Please add details to your response. Why did you rank them in that order?

Not answered

34 11. What role should low carbon liquid fuels play in the heavy vehicle decarbonisation?

Not answered

35 12. What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to reduce heavy vehicle emissions?

Not answered

36 13. Do you agree with the proposed net zero pathway for rail?

Not answered

37 13.1 Please add details to your response.

Not answered

38 14. The proposed pathway for rail relies on a mix of battery electric, hydrogen fuel-cell and low carbon liquid fuels.Rank from 1 to 3, the order in which these should be prioritised for emissions reduction.

Not answered

39 14.1 Please add details to your response. Why did you rank them in that order?

Not answered

40 15. What role should low carbon liquid fuels play in rail decarbonisation?

Not answered

41 16. What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to reduce rail emissions?

Not answered

42 16.1 How would these actions address the identified challenges and opportunities to reduce rail emissions?

Not answered

43 17. Do you agree with the proposed net zero pathway for maritime?

Not answered

44 17.1 Please add details to your response.

Not answered

45 18. The Australian Government is engaging in consultation as part of the development of the Maritime Emissions Reduction National Action Plan and those consultations will also inform the final Roadmap and Action Plan. 18.1 What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to reduce maritime emissions?

Not answered

46 18.2 How would these actions address the identified challenges and opportunities to reduce maritime emissions?

Not answered

47 19. Do you agree with the proposed net zero pathway for aviation?

Not answered

48 19.1 Please add details to your response.

Not answered

49 20. The Australian Government has already engaged in consultation on aviation decarbonisation through the development of the Aviation White Paper and those consultations will also inform final Roadmap and Action Plan.

Not answered

50 20.1 What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to reduce aviation emissions?

Not answered

51 21. Do you agree with the proposed net zero pathway for transport infrastructure?

Not answered

52 21.1 Please add details to your response.

Not answered

53 22. What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to reduce transport infrastructure emissions and ensure that transport infrastructure is ready for and enables low-emission transport modes?

Not answered

54 22.1 How would these actions address the identified challenges and opportunities to reduce transport infrastructure emissions?

Not answered

55 23. What additional actions by governments, communities, industry and other stakeholders need to be taken now and in the future to ensure the energy mix is ready to support transport emissions reduction?

Not answered

56 24. How should the use of low carbon liquid fuels (LCLFs) be prioritised across different transport modes over time to achieve maximum abatement?

For road transport operators, particularly those engaged in long-haul road freight, low carbon
liquid fuels provide significant and immediate emission savings. For heavy vehicles with long
lifespans, advanced low carbon liquid fuels offer the only current and commercially viable means for organisations to decarbonise, based on it requiring no technology changes to

existing
vehicles and being compatible with existing fuel infrastructure and workforce skill. The single
limitation is fuel availability at sufficient scale.

57 25. What are the best ways for the Australian Government to work collaboratively with industry, business, governments and communities to implement the proposed pathways?

Not answered

58 25.1 What are good domestic or international examples of partnership and collaboration on transport and transport infrastructure emissions reduction that could inform the final Roadmap and Action Plan?

Not answered

59 25.2 What opportunities can Government leverage to show leadership in Australia and internationally?

Not answered

60 26. What measures and metrics should be used to evaluate the final Transport and Infrastructure Net Zero Roadmap and Action Plan?

Not answered

61 26.1 What other data and evidence could governments use and how could this offer further insights on the pace, scale and location of transport emissions reduction pathways?

Not answered

62 27. Do you have any feedback on the proposed review process?

Not answered

63 28. Do you have any further feedback on the Consultation Roadmap and proposed pathways?

Not answered

64 28.1 Is there anything missing? Are the sections appropriately integrated? Is the Roadmap appropriately ambitious?

Not answered

65 29. Is there any further information or documentation that you wish to be considered with your submission?

Not answered

66 Would you like to upload a document?

Yes

67 Have you removed any identifying information from your submission?

Yes

68 Upload a submission

Australia_Post_Submission_Transport_and_Infrastructure_Net_Zero_Consultation_Roadmap_Final.580a55fa_Redacted.pdf

69 Upload a submission

Not answered

70 Upload supporting file

Not answered

71 Upload supporting file

Not answered

Australia Post

30 July 2024

Department of Climate Change, Energy, the Environment and Water
Via website

Transport and Infrastructure Net Zero Consultation Roadmap

Australia Post welcomes the opportunity to provide feedback on the transport and infrastructure net zero consultation roadmap and commends the Australian Government for its efforts to meet national climate targets and international climate commitments.

In support of the Australian Government's commitment to net zero, Australia Post is also targeting net zero by 2050. We are undertaking a range of initiatives, including reducing our carbon footprint through our electric delivery vehicle fleet, investing in renewable energy sources, and reducing, reusing, and recycling packaging and waste.[1]

Our approach to environmental management is multi-faceted and aligned with the UN Sustainable Development Goals. We have set targets to decarbonise, including to reduce absolute Scope 1, 2 and 3 greenhouse gas emissions by 15 per cent from a FY19 baseline by 2025.

Over the last year, Australia Post has continued to reduce the impact of sending parcels, decreasing the carbon emissions per item delivered. We also operate Australia's largest fleet of electric delivery vehicles, which now comprise over 37 per cent of our total fleet and complete 49 per cent of all delivery rounds.

Last financial year, Australia Post delivered 2.5 billion items to more than 12.6 million delivery points using 41.1 million litres of fuel – a five per cent reduction on the previous year. A range of factors contributed to this including better planning, resulting in reduced reliance on third-party contractors and route consolidation.

We continue to innovate to reduce our aviation emissions with our partner Qantas, focusing on newer more fuel-efficient aircraft and fuel efficiency within our network. Australia Post is an inaugural member of the Qantas Sustainable Aviation Fuel (SAF) Coalition with five of Australia's largest companies, supporting Qantas to buy, use and trial SAF, to advocate for SAF production in Australia and to scale the SAF market so that Qantas can reduce its emissions.

Notwithstanding these efforts, decarbonising our transport network remains an unprecedented challenge. Australia is a large country with significant distances between major cities, regional

[1] https://auspost.com.au/content/dam/auspost_corp/media/documents/2025-sustainability-roadmap.pdf

centres, and remote communities. While connecting these areas drives essential economic activity, decarbonising the movement of goods will require significant reform and investment. This submission's recommendations focus on the decarbonisation of the freight, logistics and supply chain sector. The complexity of this industry, and the fragmented nature of its accompanying policies and regulations has resulted in the sector being characterised as hard to abate. In many ways it is, however, technology solutions are advancing, manufacturers are innovating, and consumer sentiment on climate and environmental sustainability is beginning to influence business decisions in ways that it has not done so before.

While it is understandable for governments and policymakers to want to bed down decarbonisation strategies and resolve long-term fuel, infrastructure, and energy solutions, it is equally important not to neglect so-called "low-hanging fruit". Government already has a range of tools at its disposal to improve productivity. A more efficient and productive freight system will invariably reduce carbon emissions. At a time when government budgets are constrained, there is a real opportunity to implement solutions that are immediately available, including through regulatory overhaul, better jurisdictional coordination to address interoperability challenges, and by improving land use planning. These measures should be expressly included as targets in the roadmap and factored into decarbonisation timelines.

We welcome the opportunity to engage with the Department as it develops the final Roadmap and Action Plan. To discuss this submission further, please contact Kristina Hickey, General Manager Government, Industry and Regulatory Affairs at [redacted].

Guiding principles

Australia Post supports the use of guiding principles to inform the development of the transport sector's decarbonisation roadmap. Guiding principles provide:

- **Clarity and focus**, ensuring stakeholders understand key priorities and objectives
- **Consistency in decision-making**, maintaining a coherent approach across government and industry
- **Alignment**, creating opportunities for diverse stakeholders to coordinate efforts to achieve common goals
- **Efficiency and accountability**, by providing clear set of criteria for decision-making and a basis for accountability through the communication of clear expectations
- **Flexibility**, while providing a stable framework, principles can be adapted to respond to dynamic and evolving fields like transport decarbonisation
- **Long-term vision**, helping to maintain a long-term perspective while ensuring that short-term actions are aligned with overarching goals.

The principles outlined in the consultation paper are helpful but could be expanded to provide a more robust framework. The Department should consider:

- **Being explicit about taking a data-driven approach**, with robust data samples and modelling to understand current emissions (from end-to-end supply chain, through to the lifecycle of vehicles and infrastructure), project future trends, and evaluate the impact of decarbonisation strategies.
- **Incorporating resilience planning**, to ensure policy and actions can adapt to climate impacts on transport infrastructure, including extreme weather events.
- **Including harmonisation as a standalone principle**, to ensure efforts are coordinated both within government and across governments, and that supportive policies, regulations, and incentives are coherent.
- **Expanding the scope of the evidence driven principle**, to make clear that government will play a role in enabling the development and adoption of new technologies by supporting targeted research and development.

In addition to expanding these principles, Australia Post encourages the Department to consider their application in broadest sense. For example, when considering the principle of 'inclusive and equitable', future policy, programs or other forms of intervention should minimise inequitable market distortion, particularly in the commercial transport sectors. To the extent possible, market forces guided by policy should determine the best allocation of resources toward transport modes.

Finally, the Department should consider establishing mechanisms for continuous monitoring, reporting, and evaluation of progress, with dedicated channels to provide feedback and improve the Roadmap over time. This is particularly important given the 2050 horizon, the increasing impacts of climate change, and the potential for technological advancements in the intervening years.

Movement of goods: Decarbonising freight and supply chains

Although the freight sector is largely commercial, governments have a key role to play in ensuring the freight system makes the best use of roads, railways, ports, airports, and intermodal terminals. Government policy, planning, investment, and regulation affect the cost, efficiency, productivity, and sustainability of the freight task, with virtually all components of the freight logistics chain regulated in some way by government policy.

The National Freight and Supply Chain Strategy notes that while Australia's freight task is growing, freight productivity and costs have plateaued since the 1990s. Urban infrastructure is reaching capacity due to road congestion (which will be around $30 billion a year by 2030), greater noise and environmental regulation, and corridor and precinct encroachment. A coordinated approach, which extends beyond investment to include regulatory, planning and supply chain reform, is needed to drive the long-term improvements necessary to lift Australia's supply chain efficiency, and in turn support greater sustainability.

Freight operates beyond state borders and government strategies generally do not refer substantively to plans or reviews taking place in neighbouring jurisdictions. This is shortsighted. Without national consistency across the key pillars that shape the freight system, it will be difficult to realise the benefits updated freight plans purport to deliver, not to mention achieve the decarbonisation ambitions governments and operators have set for themselves.

The efficiency of Australia's logistics, transport and supply chain network is hindered by inconsistent regulation between jurisdictions and levels of government. Freight policy is often fragmented, creating a high compliance cost for business, particularly national operators that must navigate variable requirements and standards. Integration of freight policy and regulatory settings across a broader spectrum of sectors should be a priority, with a particular focus on harmonising decarbonisation efforts. This will give business the confidence to act, to make investments, and to change the way it operates.

Given the relatively short timeframes to achieve material reduction in transport emissions, highest priority should be given to enabling options that maximise the use of existing commercial transport assets, are proven and readily scalable, minimise the need for new, complex and expensive infrastructure, and provide the greatest possible overlap with the current workforce and processes that will use, service and maintain this technology.

On this basis, Australia Post makes the following recommendations:

1. Take a two-pronged approach to the decarbonisation of road freight: first, by setting a clear pathway to enable rapid acceleration of the production and availability of 'drop-in' low carbon fuels at scale, ensuring policy settings do not inadvertently favour one transport mode over another (i.e. aviation over road transport); and secondly, by prioritising solutions that are already available in short-haul road freight.

2. Introduce a low carbon fuel standard to accelerate the equitable and orderly transition of Australia's liquid fuels sector and drive uptake of sustainable fuels. The government's policy response should support sustainable, reliable, high-quality feedstock that can be used to underpin the necessary capital investment required to establish domestic processing of low carbon liquid fuels.

3. Build demand for low and zero emissions vehicles by offering tax credits and developing incentives to make them competitive assets for business investment, particularly given the government's decarbonisation pathway would benefit from the 'early' retirement of existing fossil fuel-based fleet assets.

4. Provide reliable data, tools, and analysis to support industry decarbonisation. Build regular review into decarbonisation plans to ensure actions are having the desired impact.

5. Coordinate policy responses across all tiers of government, targeting national consistency for steer axle loads, road access, and recharging and related energy distribution infrastructure.

6. Deliver support for the uptake of renewable power generation at transport depots and warehouses, including necessary upgrades to the power transmission networks to allow for feed-in to the state and national grid.

7. Invest in the development and maintenance of key freight corridors, including highways, rail lines and port facilities, prioritising projects that enhance connectivity and streamline the movement of goods.

8. Reduce technological uncertainty by providing guidance, supporting vehicle trials, and demonstrating integrated use-cases for long-haul trucks.

Short-haul road freight

A range of solutions to decarbonise short-haul road freight are available. Zero-emission vans and trucks are ready to displace diesel trucks on short trips, e-cargo bikes can be used to optimise last mile delivery, and public charging infrastructure can be supplemented depot-charging, provided energy supply is reliable and incentives are in place to make the exercise commercially viable. These solutions can be immediately implemented in urban areas, where additional charging infrastructure could be used to service commercial operators as well as the public. To support this, government can continue to put the right regulatory settings in place, including the welcome introduction of the Safer Freight Vehicles package and its increase to truck width. These actions, if coupled with efforts to bring in more low-and-zero emission trucks into Australia would contribute to lowering emissions.

Low carbon fuels

Australia Post welcomes the package of reforms and initiatives targeted to supporting the accelerated growth of low carbon liquid fuels, and we are pleased to see this sector identified as a priority under the Future Made in Australia scheme. In our submission to the recent consultation on low carbon liquid fuels, we acknowledged the critical role of low carbon fuels and the need for policy frameworks that support local production and encourage uptake. Establishing a low carbon fuel sector not only offers significant and importantly immediate emission reduction opportunities, particularly if local supply addresses cost disparity with non-renewable diesel, it also enhances Australia's fuel security. To get the emission reduction dividends this industry promises, the mix of policy settings and financial incentives must be right. The Australian Government needs to take a leadership role to ensure production standards are consistent, supply is reliable, and costs are manageable. It will also need to consider if and how available supply with be distributed between transport modes.

For road transport operators, particularly those engaged in long-haul road freight, low carbon liquid fuels provide significant and immediate emission savings. For heavy vehicles with long lifespans, advanced low carbon liquid fuels offer the only current and commercially viable means for organisations to decarbonise, based on it requiring no technology changes to existing vehicles and being compatible with existing fuel infrastructure and workforce skill. The single limitation is fuel availability at sufficient scale.

Hydrogen

Support for hydrogen technology has increased in recent years, with governments indicating a strong interest in growing Australia's hydrogen production and export capabilities. While liquid hydrogen may be more suitable for larger payloads and longer distances, the high upfront costs of this production method, hydrogen fuel cell vehicles, and the enabling infrastructure makes the commercial viability of this fuel type less certain, particularly for road freight operators with access to renewable diesel. Even with immediate government investment, the removal of regulatory barriers, and targeted incentives, the timeline presented in the Consultation Roadmap is unrealistic. Australia presently has a limited number of refuelling stations, with most not operating at a commercial scale. For national operators like Australia Post, freight route planning and optimisation is essential; dispersed locations and considerable distances between refuelling stations could introduce uncertainty, compromising viability. Moving hydrogen is expensive and its low density presents serious transport challenges. Before investing in a national pipeline, government and industry should have a clear picture of the economic practicalities of hydrogen at a commercial scale, particularly when compared to developing a high-quality, high-reliability supply of drop-in low carbon liquid fuels.