



6 April 2016

The Hon Paul Fletcher MP  
Minister for Major Projects Territories and Local Government  
Chair, Ministerial Forum on Vehicle Emissions  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra ACT 2600  
Australia

Dear Hon Paul Fletcher

#### Vehicle Emissions Discussion Paper

The Global Fuel Economy Initiative (GFEI) is a partnership of the International Energy Agency (IEA), United Nations Environment Programme (UNEP), International Transport Forum of the OECD (ITF), International Council on Clean Transportation (ICCT), Institute for Transportation Studies at University of California Davis, and the FIA Foundation, which works to secure real improvements in vehicle fuel economy, and the maximum deployment of existing fuel economy technologies in vehicles across the world ([www.globalfuelecon.org](http://www.globalfuelecon.org)).

GFEI is delighted to see that Australia is looking at the issue of vehicle fuel economy. We co-sponsored an event in Melbourne a few years ago which brought together key Australian stakeholders with global policy experts and others to consider this issue. The meeting concluded that whilst there clearly are important practical issues to consider in designing any regulatory or fiscal system to support improved fuel economy, that such an improvement in light vehicles in Australia did offer significant and easily achievable economic and environmental benefits

<http://archive.globalfueleconomy.org/www.globalfueleconomy.org/updates/2011/pages/GFEIworkingwithAustrianGovernment.aspx.htm>

The benefits of such an approach accrue at many levels, from reductions in CO2 which benefit society more widely to some very specific financial savings for individual motorists - estimated by UC Davis at \$2 billion net by 2025 alone <http://www.globalfueleconomy.org/data-and-research/publications/gfei-working-paper-10>.



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Average emission intensity for new passenger vehicles sold in Australia in 2014 was 177g/km, compared to 124g/km in the European Union. The annual report by the National Transport Commission shows that average CO2 emissions for new passenger cars in Australia fell by just 2g/km in 2015 to 175g/km. It is concerning to GFEI that the direction of travel on this issue in Australia is not more positive. Please find the GFEI's latest report on global trends in vehicle fuel economy which you may find of interest <http://www.globalfueleconomy.org/data-and-research/publications/state-of-the-world-report-2016>.

We are already engaged in working with ClimateWorks and FutureClimate Australia on these issues. I understand that they have contributed a fuller submission in response to your discussion paper, which I would encourage you to consider carefully. With our wealth of knowledge about what works and what doesn't in markets around the world, we would be keen to explore how we can assist the Australian government to develop and implement a suite of appropriate standards, with complementary measures, to transform the efficiency of the vehicle fleet.

Please do not hesitate to contact me should you have any further questions.

Yours sincerely

**Sheila Watson**  
**Executive Secretary - GFEI**



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