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Vehicle Emissions Working Group
Department of Infrastructure and Regional Development
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Submission from Ford Australia in Response to the “Vehicle Emissions Standards for Cleaner Air” Draft Regulation Impact Statement

We write in response to an invitation for submissions from interested parties on issues raised in the Department of Infrastructure and Regional Development’s Draft Regulation Impact Statement, ‘Vehicle Emissions Standards for Cleaner Air’ (*December 2016*) as part of the broader review established by the Ministerial Forum on Vehicle Emissions. Ford Australia has also worked closely with the peak automotive industry body, the Federal Chamber of Automotive Industries (FCAI), on this important issue and is a strong supporter of and a key contributor to the submission made by the FCAI in response to this Draft Regulation Impact Statement.

Ford Australia is of the firm view that consideration of the introduction timing of Euro 6 vehicle emissions standards cannot be undertaken until a detailed consideration of changes to Australian fuel quality standards has been completed. Of central concern is how the government is planning to transition to the European fuel standards (EN228 for Petrol and EN 590 for Diesel) to support the introduction of both Euro 6-stage emissions and CO₂ targets. The timeframe for the required fuel to be available to the market will then determine the timeline for new vehicle models and the timeline for the introduction of regulatory standards. Moving ahead with new emission regulations without first resolving fuel quality issues could increase the purchase and operating costs of new vehicles and adversely affect the operability of new emission technologies without delivering the anticipated environmental and health benefits.

It is universally acknowledged that a vehicle’s engine and the fuel used to power it are a system and in order to optimize this system, both elements require consideration in any emission reduction discussion and planning. Ford Motor Company strongly believes the best pathway to deliver the government’s policy objectives in relation to future vehicle emissions is the full alignment of Australian fuel quality standards with European fuel quality standards. Specifically, petrol meeting EN 228 (i.e. 95 RON, 10 ppm sulphur, 35% v/v max aromatics, etc.) and diesel meeting EN 590 is widely available in Australia.

Ford Australia strongly endorses the the submission made by the FCAI in response to this Draft Regulation Impact Statement. The FCAI submission can be summarised as follows:

The widespread availability of European (EN) standard fuels is a key enabler for Euro 6 vehicle emissions standards. As such, Australian fuel standards and availability must be first defined before Euro 6 vehicle emission standards can be properly contemplated or implemented.

Euro 6 pollutant emission standards for light vehicles cannot be mandated in Australia until such time as petrol meeting the European standard EN228 (i.e. 95 RON, 10 ppm sulphur, 35% v/v max aromatics, etc.) and diesel meeting European standard EN590 is widely available in Australia.

The European fuel standards for petrol (EN228) and diesel (EN590) are required to deliver the Euro 6 level pollutant emissions reductions in-service.

The EN228 limit on Aromatics (35% v/v max) is critical to meet Euro 6c and Euro 6d Particulate Number (PN) limits for gasoline direct injection engines.

The cost to comply with Euro 6d will be higher than estimated in the draft RIS due to the need for new technology and systems such as fitting Gasoline Particulate Filters (GPF) to vehicles which have Gasoline Direct Injection (GDI) engines.

If the Government is determined to mandate Euro 6, there needs to be a staged implementation with an introduction date for “all vehicles” at least 4 years later than the corresponding “new models” date and not before Australia adopts European Fuel Standards EN228 and EN590.

For the reasons detailed in the FCAI submission, the earliest “new models” date that Euro 6 could be introduced into Australia is 2022. However, this is contingent on the widespread availability of petrol that meets EN228 and diesel that meets EN590.

Ford Australia promotes the ‘Integrated Approach’ as advocated by the FCAI in its submission on behalf of the automotive brands. It believes that a whole-of-government approach to the issues of CO₂ targets, vehicle pollutant emission standards, fuel quality standards and on-road vehicle operation is required to achieve real and sustained improvements. The cooperation of governments, the automotive industry, the oil refining industry and other key stakeholders will be necessary in this endeavour.

Additionally, Ford Australia reinforces the need for close consultation with industry on appropriate introduction dates for any proposed regulatory changes, as lead times in the global automotive industry are relatively long and planning occurs several years in advance of any vehicle production and importation for sale. These lead times incorporate the significant activities of vehicle design, development, engineering, and testing and validation and are critical processes in the delivery of the next generation vehicles to consumers in global markets.

Ford Australia, through the FCAI, will continue to work constructively with the Government and its departmental officials to address the issues identified in the Draft Regulation Impact Statement.

Please contact the Government Affairs Director should you have any questions in relation to the content of this submission.

Yours sincerely

Government Affairs Director
Ford Motor Company of Australia Limited