



# RVSA Implementation Consultation Framework

Concessional RAV Entry Consultation Group

Discussion Paper CR1 — Introduction to the concessional RAV entry pathway

22 November 2018

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#### Overview

This paper is designed to:

- 1. Introduce members of the Concessional RAV Entry Consultation Group to the concessional RAV entry pathway, including key concepts within the legislation and guidance about how the Department will administer this pathway.
- 2. Identify key differences between the Motor Vehicle Standards Act 1989 concessional options and the Road Vehicle Standards (RVS) legislation concessional options.
- 3. Provide practical guidance to members about the concessional RAV entry pathway through a worked example of a specialist and enthusiast vehicle.
- 4. Provide an opportunity for members to identify issues or concerns relating to the concessional RAV entry pathway and raise these for discussion at a future meeting

## 1. The concessional RAV entry pathway

#### Overview

The concessional RAV entry pathway is one of two pathways for road vehicles to be imported into Australia and entered onto the Register of Approved Vehicles (RAV).

- The RAV is a publically accessible electronic database of vehicles that are suitable to be 'provided' (brought, sold, leased, etc.) and used on public roads in Australia.
- A vehicle covered by a concessional RAV entry approval is also taken to have been granted an import approval.

The concessional RAV entry pathway is for vehicles that need to be granted a concession to the national road vehicle standards, or to the type of evidence that is required to demonstrate compliance with the national road vehicle standards. This is different to the type approval RAV entry pathway, where full evidence of the vehicle's compliance with standards is required.

The concessional RAV entry pathway is for individual vehicles, rather than vehicle types. This generally means one vehicle per application form. Vehicles that can apply for a concessional RAV entry approval include:

- older vehicles (vehicles that are at least 25 years old at time of application)
- vehicles that will be modified by a RAW, including
  - o specialist and enthusiast vehicles
  - o used motorcycles
  - o vehicles that will be subject to second stage manufacture

- special purpose vehicles (vehicles have a special purpose that, if the vehicle were made to comply with the national road vehicle standards, could not perform that purpose or function)
- personal effects vehicles (vehicles that were owned and used overseas by a person migrating to Australia indefinitely)
- trailers (up to, and including, four per 12 month period)
- · vehicles suitable for entry onto the RAV

#### Relevant parts of the legislation

#### Entry to the RAV via pathways

The concessional RAV entry approval pathway is contained in the RVS Rules<sup>1</sup>. It sits in Part 3 of the RVS Rules.

Part 3 of the RVS Rules sets out that entry onto the RAV is via <u>entry pathways</u>. There are two entry pathways set out in Part 3:

- 1. Part 3, Division 2 sets out the type approval RAV entry pathway
- 2. Part 3, Division 3 sets out the concessional RAV entry pathway

#### Eligibility criteria for concessional RAV entry pathway

The concessional RAV entry pathway requires applicants to satisfy the 'Minister' (in practice, the Minister will be represented by department officials) that the applicant satisfies an 'eligibility criteria'. The eligibility criteria are currently located in sections 36 to 41. Understanding these eligibility criteria is key to understanding how the department will assess concessional RAV entry approval applications.

#### How do 'tools' interact with the concessional RAV entry pathway?

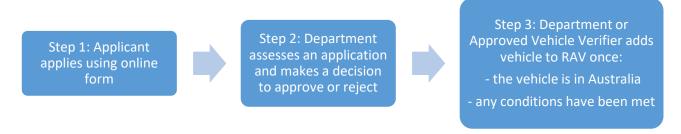
The RVS Rules contain a Part titled 'tools'. Tools are approvals that are designed to guide vehicles through each RAV pathway. All tools can be found in Part 4 of the RVS Rules.

The concessional RAV entry pathway makes use of a number of 'tools'. For example, the concessional RAV entry pathway for *vehicles that need to be modified by a RAW* reference:

- Registered Automotive Workshops (Part 4, Division 2)
- Model reports (Part 4, Division 3)
- Authorised Vehicle Verifiers (Part 4, Division 4)

<sup>&</sup>lt;sup>1</sup> The RVS Rules are still in drafting stage and have not yet been made by the Minister.

#### How to use to concessional RAV entry pathway



#### **Step 1: Application**

An individual or a corporation that wishes to import and provide a vehicle via the concessional RAV entry pathway will need to make an application.

The application form will be available online and will guide applicants through the information that they need to provide. Applicants will need to select the eligibility criteria that they wish to provide information for. There are five general eligibility criteria set out in the RVS Rules:

- older vehicles (vehicles that are at least 25 years old at time of application)
- vehicles that will be modified by a RAW, including
  - specialist and enthusiast vehicles
  - used motorcycles
  - o vehicles that will be subject to second stage manufacture
- special purpose vehicles
- personal effects vehicles
- trailers

Each eligibility criteria will require different information to be included in the application. For example, an application intending to satisfy the personal effects criteria will require information about the applicant's migration intentions and information evidencing that they used the vehicle overseas.

A person may also apply to the Minister for the grant of an approval on the grounds that the vehicle is suitable for entry on the RAV. There will not be a separate application for this, however an applicant will use one of the above eligibility criteria as a start point and provide additional justification why the vehicle is suitable for entry.

There will be a fee associated with the application for a concessional RAV entry approval. This fee has not yet been determined but will reflect the cost of assessing the application.

#### **Step 2: Assessment by the department**

The decision maker must decide an application for a concessional RAV entry approval within 30 business days after receiving the application. The department's key consideration when assessing the application will be whether the applicant or the vehicle in question satisfies the eligibility criteria

selected in the application form. The department will provide guidance on these criteria. The department can consider whether other eligibility criteria are met.

As part of assessing the application, the RVS Rules allow the department to inspect the vehicle and request further documentation. If the applicant fails to provide this information the department can decide to refuse the application, or refuse to consider the application at all.

#### Step 3: Entering the vehicle to the RAV

The ultimate aim of a concessional RAV entry approval is to have the vehicle entered onto the RAV. The entry of the vehicle onto the RAV will only occur once the vehicle is in Australia. The table below indicates who will enter each vehicle onto the RAV and when the vehicle will be placed on the RAV.

Concessional RAV entry	Who enters the vehicle to the RAV?
eligibility criteria	When is the vehicle entered?
	Entered onto the RAV by the department.
Older vehicles	Vehicle is added once approval holder notifies the department that the vehicle is in Australia and the approval holder has provided information that the vehicle is fit for use on a public road.
Vahislas to be madified by a	Entered onto the RAV by an Authorised Vehicle Verifier.
Vehicles to be modified by a RAW	Entered after the vehicle is in Australia and has been modified by a RAW and verified by the AVV.
	Entered onto the RAV by the department.
Special purpose vehicles	Vehicle is added once approval holder notifies the department that the vehicle is in Australia and the approval has provided information that the vehicle is fit for use on a public road.
	Entered onto the RAV by the department.
Personal effects	Vehicle is added once approval holder notifies the Department that the vehicle is in Australia and the approval holder has provided information that the vehicle is fit for use on a public road.
	Entered onto the RAV by the department.
Trailers	Vehicle is added once approval holder notifies the department that the vehicle is in Australia and the approval holder has provided information that the vehicle is fit for use on a public road.

Concessional RAV entry	Who enters the vehicle to the RAV?
eligibility criteria	When is the vehicle entered?
	Case by case basis – may be either by the department or an
Suitable for entry enterthe DAV	AVV.
Suitable for entry onto the RAV	Only added to RAV when in Australia and any conditions of the
	approval have been met.

This table represents the general method of RAV entry set out in the RVS Rules. The RVS Rules, however, have the flexibility to be used in different ways to reflect the different scenarios that can occur. This flexibility was a key requirement when developing the RVS legislation. For example, the department may request that a special purpose vehicle be subject to inspection prior to being added to the RAV. This allows the department to respond to the different circumstances and risks in the concessional RAV entry pathway.

#### **Discussion questions**

- Do you have problems with current applications forms that you would like to see minimised in the future?
- Are there any terms or concepts in the eligibility criteria that might benefit from additional clarity from the Department?

#### For example:

- o What is required to be satisfied that a person 'intends to own' a vehicle?
- o What does "suitable for RAV entry" mean?
- How will the minister be satisfied the vehicle is, or could be made suitable for use on a public road?
- Are there parts of the assessment process that you have comments or concerns about?

# 2. Key differences in the approach to concessional imports between the MVSA and the RVS legislation

The concessional RAV entry pathway is part of an effort to consolidate the MVSA's concessional schemes into two streamlined options - the concessional RAV entry approval pathway and non-RAV entry import approvals.

The key difference between the two options is about road use. Vehicles eligible under the <u>concessional RAV entry approval pathway</u> are generally vehicles imported with the intention of being used on public roads. Those that are not generally for road use fall under <u>non-RAV entry</u> import approvals.

MVSA reference	RVS legislation options
Vehicles manufactured before 1989	
Personal Import (owned and used	
overseas for 12 months)	
Special purpose vehicles	
Specialist and enthusiast vehicles	Concessional RAV entry approval pathway
New low-volume vehicle (including low	, , , , , , , , , , , , , , , , , , , ,
volume second stage of manufacture)	
Used unrestricted motorcycles	
Small road trailers	
Letter of compliance	
Test and evaluation	
Exhibition vehicles	Non-RAV entry import approvals
Race and rally vehicles	, , , , , , , , , , , , , , , , , , , ,
Vehicle in transit	
Australian plated vehicles	Reimportation import approvals
Non-road vehicles	Advice that a thing is not a road vehicle
Status of forces agreement	RVS legislation permits importation
	without approval
Carnet vehicles	RVS legislation permits importation
	without approval

There are some differences between each importation option. Focussing on the options that fall under the concessional RAV entry pathway, the below table outlines some of the key changes with the RVS legislation.

MVSA reference	RVS legislation key differences
Vehicles	This falls under the <b>older vehicle</b> eligibility criteria.
manufactured before 1989	Covers vehicles older than 25 years, improving access to new classic and historic vehicles.
	Heavy vehicles are not eligible under this criteria.

MVSA reference	RVS legislation key differences
Personal Import (owned and used overseas for 12 months)	This falls under the <b>personal effects</b> eligibility criteria. This continues to be for vehicles that were owned and used overseas by a person immediately before their migration to Australia to live indefinitely.
	The language in RVS Rules aligns the criteria with its original intention. For example, by including more detail about what is considered 'use' of a vehicle owned and used overseas.
Special purpose vehicles	This falls under the <b>special purpose vehicles</b> criteria. The department can request evidence about the vehicle's compliance or non-compliance with the national road vehicle standards. Non-compliance is only acceptable where compliance would mean that vehicle can no longer fulfil the purpose for which it was designed.
Specialist and enthusiast vehicles (including used motorcycles and new low volume)	This falls under the vehicles to be modified by the holder of a RAW approval criteria. To use this criteria the applicant must own (or intend to own) the vehicle and be able to access a model report for the vehicle.
Letter of compliance	A letter of compliance may be considered as part of an application for a concessional RAV entry on the basis that the vehicle is suitable for entry on the RAV.

# 3. Worked example of the concessional RAV entry pathway

The department has prepared a worked example of how the concessional RAV entry pathway will be used in practice. This worked example explores vehicles that will need to be modified by a Registered Automotive Workshop, such as a specialist and enthusiast vehicles (see <u>Attachment A</u>).

The department is able to prepare additional worked examples.

#### **Discussion questions:**

- Is there anything in this worked example that you would like to have additional information about?
- Are there any specific scenarios that you would like us to provide worked examples of?

### 4. Opportunity to discuss issues or concerns

This paper was designed to provide a high level overview of the concessional RAV entry pathway. We expect that there will be concepts in this paper that may be unclear and require further information.

The below questions (and the other discussion questions in this paper) will help guide the department to produce relevant and timely information.

Members are invited to consider each question and provide any comments or answers back to us, either at the meeting in November, or via email.

#### **Discussion questions?**

- What are the parts of the application and approval process that are least clear to you?
   Could we provide better information about these parts? In what way?
- Thinking about your business and how you use the department's systems, what are the
  most important parts of forms and interaction to ensure efficient outcomes? For example,
  can we design better forms?
- What do you think will be the most challenging aspect of working with the RVS legislation? Do you have suggestions about how to make this less challenging?

#### ATTACHMENT A – WORKED EXAMPLE OF THE CONCESSIONAL RAV ENTRY PATHWAY

#### Application for concessional RAV entry approval

Before applying make sure that:

- The vehicle is on the specialist and enthusiast vehicles register.
- You own, or intend to own, the vehicle.
- Have considered which Registered Automotive Workshop will modify the vehicle.
- You have, or are able to access, a model report for the vehicle.
  - o This might be held by the RAW
  - You may have to purchase a model report
- You have checked the vehicle for corrosion and damage that may prevent a RAW working on the vehicle or an AVV verifying the vehicle.

#### Modification by a RAW

- Before starting any work on a SEV vehicle a RAW has to inspect the vehicle for damage or corrosion.
  - If there is damage or corrosion that exceeds the threshold the RAW cannot work on the vehicle.
- The RAW must have proper authorisation to use the model report.
  - Where the RAW does not own the model report they may ask the concessional RAV entry approval holder for proof that they are authorised to use the model report
- When presenting the vehicle for inspection the RAW must make a declaration regarding the inspection and modification of the vehicle, as well as their authorisation to use the model report

#### Verification by an AVV

- Where a vehicle has been modified by a RAW the AVV is responsible for adding vehicles to the RAV.
- The AVV can only add the vehicle onto the RAV if they have inspected the vehicle and verified that:
  - the RAW was authorised to use the model report
  - the modifications were in accordance with the model report
  - there is no damage or corrosion that exceeds the acceptable threshold
- The AVV will use a checklist (which is part of the model report) to inspect the vehicle and verify it has been modified appropriately.
- The AVV, if satisfied, will add the vehicle to the RAV.

