



8 April 2016

Submission to the 2016 Vehicle Emissions Discussion Paper

Nissan Motor Co. (Australia) Pty. Ltd. has, as a member of the Federal Chamber of Automotive Industries (FCAI), contributed to the development of the *FCAI Response to Vehicle Emissions Discussion Paper*. Nissan supports the key points and answers to the discussion questions detailed in this document.

Nissan: global leader in zero-emissions electric vehicles

Nissan is the global leader in zero-emissions vehicles. As part of the Renault-Nissan Alliance, the world's fourth-largest automotive manufacturer, Nissan has sold more than 205,000 of its LEAF electric vehicle (EV), the world's first mass-produced electric car that is also the best-selling EV in history.

Nissan: *Intelligent Mobility*

Nissan's achievements with zero-emissions vehicles occur under its *Intelligent Mobility* program, which has two important goals: zero-fatality driving and zero-emissions driving, the latter first achieved with the market release of the Nissan LEAF electric car in 2010.

Reducing CO₂ and Pollutant emissions: Government-led initiatives for consumers

The success of the Nissan LEAF electric car in regions such as North America, Europe, Japan and China is underpinned by the same two factors driving the wider consumer uptake of EVs overseas:

- Government-led purchase incentives for new-car consumers to select an electric car, and;
- Wide-spread publicly available electric vehicle recharging infrastructure.

The local introduction of these two essential factors is certain to increase Australian consumer uptake of zero-emissions electric vehicles in a manner similar to the countries mentioned.

The current Australian Government position of harmonisation of the ADRs is a key element to enable the latest vehicle technologies to be introduced to Australia, delivering real-world environmental benefits with little-to-no local modifications. This harmonisation should extend to harmonisation of C-ITS standards and Fuel Quality Standards with European Standards to further speed up the local adoption of advanced vehicle technologies.

Nissan Australia encourages the Government to incorporate supply-side initiatives into any legislated CO₂ standard that are included in the CO₂ standards of overseas markets such as the USA, Europe, Japan and China. These Government-led initiatives encourage manufacturers to bring the latest-technology low emission vehicles to the Australian market, as the technologies they often contain typically have high market introduction costs.

Examples of supply-side initiatives in overseas-market CO2 standards include credits for eco-innovations/off-cycle technologies and air-conditioning gas with low global warming potential, super credits for vehicles with extremely low exhaust emissions (below 50g/km), pooling, banking, trading and others.

Zero-emissions vehicles are, of course, the ultimate solution for the reduction of exhaust-related CO2 emissions from Australia's light-vehicle fleet. En-route to this goal, encouraging Australian consumers to adopt new vehicles with lower CO2 emissions is important. It requires the following government-led initiatives be considered:

- Replacement of the three main Federal Government taxes (Goods and Services Tax, Luxury Car Tax (where applicable) and vehicle import duty) with a single vehicle-emissions-based tax with appropriate thresholds and levies introduced during the period 2020-2030.
- Alignment of Motor Vehicle Stamp Duty with each vehicle's CO2 emissions. As noted in the discussion paper, a simple version of this is already used in the Australian Capital Territory. The Federal Government could use the COAG forum to encourage all states and territories to adopt a similar system.

It is important that Government-led demand and supply side initiatives to encourage greater consumer use of zero- and low-emission vehicles are implemented and maintained for the entire period of any mandated CO2 standard, as there is evidence in Canada and the Netherlands of the significant decline in the sale of zero- and low-emission vehicles when incentives/initiatives are discontinued.

Conclusion

Nissan Australia supports the Australian Government's intention to coordinate a whole-of-government approach to addressing vehicle emissions. As outlined in Nissan's submission, and detailed in the *FCAI Response to Vehicle Emissions Discussion Paper*, there is a range of areas that need to be considered to achieve the desired outcomes of the Ministerial Forum into Vehicle Emissions.

Nissan Australia welcomes the opportunity to participate in on-going Government-Industry consultation to deliver improvements in fuel efficiency of motor vehicles which are relevant to the Australian market conditions and contribute to the Government's overall post-2020 GHG reduction targets.

Yours sincerely,



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