

MEDIA RELEASE

THURSDAY, 4 May 2023

Australia needs a National Zero Emission Truck Strategy to deliver its net zero emissions commitment

The freight and transport industry are today calling on the Australian Government to develop and implement a National Zero Emission Truck Strategy.

The **Electric Vehicle Council, Australian Trucking Association, Heavy Vehicle Industry Association** and the **Australian Hydrogen Council** have joined forces to advocate for government direction and support that goes beyond light vehicles, the focus of the government's first National Electric Vehicle Strategy launched last week.

While the Strategy and commitment to a Fuel Efficiency Standard is a major step forward for Australia, the freight and transport industry believes trucks and logistics will be left in the slow lane to decarbonisation if the scope of government policy isn't expanded.

The freight and logistics transport sector contributes 38 percent of Australia's transport emissions.¹ While Australia has a legislated commitment to net zero emissions, there is no plan for reducing emissions from road freight transport.

The Australian trucking industry faces significant barriers to the adoption of zero emission trucks, including vehicle design rules, lack of electric truck recharging and hydrogen refuelling infrastructure, and a temporary but significant higher upfront cost.

The Australian Government should:

- Develop a national zero emission truck strategy
- Sign the global memorandum of understanding on zero emission trucks, to set clear climate ambition for medium and heavy vehicles
- Fix the regulatory barriers (i.e. width and axle mass limits) to zero emission trucks, to increase vehicle model supply
- Increase investment in electric recharging and hydrogen refuelling infrastructure for trucks
- Implement a purchase price incentive for zero emission trucks
- Fund and implement an upskilling and reskilling plan to ensure the preparedness of the workforce to transition to a zero emission fleet.

As an organisation in strong support of a zero emissions future, IKEA Australia backs the industry call for government to support the decarbonisation of the commercial logistics sector.

Alexandra Kelly, Zero Emissions Delivery Lead, IKEA Australia, said,

"Freight is a big part of Australia's decarbonisation journey with unique challenges. It's essential for this industry to have dedicated policy support that would enable retailers, vehicle manufacturers, transport service providers and owner-drivers to make the transition to zero emissions delivery."

As the first home-furnishing retailer in Australia to use electric vehicles for deliveries with our transport service providers, we are committed to achieving 100% zero emissions delivery by 2025. But we cannot do it alone. More is needed to build confidence in the sector that now is the time to electrify."

Behyad Jafari, chief executive, Electric Vehicle Council

“Australia relies on trucks to function, but right now those trucks need imported oil to keep moving. We don’t need to be this vulnerable because our truck fleet can run on renewable energy we make domestically.

We just need to get the policy settings right. With the EV and the trucking industry agreeing on these principles, the government can act swiftly.”

Samuel Marks, Sustainability and Future Transport Manager, Australian Trucking Association

“Australia has a legislated net zero emissions target but needs a strategy for zero emissions trucks. We need to move from one-off pilot projects to a strategy that enables all trucking operators to plan with certainty for low and zero emissions transport.

Financial incentives in the United States mean that cost parity for urban electric trucks are already approaching cost parity with diesel trucks, and Australia now risks falling behind. Stronger action now to incentivise and enable trucking operators to deploy zero emission trucks will enable industry to reduce carbon emissions whilst continuing to drive a growing economy.”

Fiona Simon, chief executive, Australian Hydrogen Council:

“Decarbonisation of Australia’s transport sector is becoming increasingly urgent. Heavy vehicles in particular require clear policy and strong enablers to propel transition.

There is a cost of not acting. Heavy vehicle transition is already naturally delayed, compounded by the timeframe they remain on the road and regulatory barriers. It is with absolute urgency that a comprehensive low emissions trucks strategy be developed.”

Interviews available:

Behyad Jafari, CEO, Electric Vehicle Council

Samuel Marks, Sustainability and Future Transport Manager, Australian Trucking Association

Todd Hacking, CEO, Heavy Vehicle Industry Australia

Fiona Simon, Australian Hydrogen Council

Alexandra Kelly, Zero Emissions Delivery Lead, IKEA Australia

For Media enquiries: via Kylie Johnson (Australian Trucking Association), 04 17 211 441 or kylie.johnson@truck.net.au. Contact details for above available via Kylie.

About EVC



The EVC is the national peak body for the electric vehicle (EV) industry in Australia with a mission to accelerate the electrification of transport for a sustainable and prosperous future. The EVC represents members across the EV value chain, including car, bus and truck manufacturers, importers, operators, charging infrastructure suppliers and network providers, and battery recyclers.

About ATA



The Australian Trucking Association is a united voice for our members on trucking issues of national importance. Together, we represent the 50,000 businesses and 200,000 people who make up the Australian trucking industry.

In 2022, the ATA and EVC released the joint report *Electric trucks: Keeping shelves stocked in a net zero world*.

About HVIA



HVIA represents and advances the interests of 300 corporate national members involved in the design, manufacture, importation, distribution, modification, sale, service and repair of heavy vehicles (both trucks and trailers) as well as their components, equipment and technology.

The industry directly employs over 70,000 people and provides some of the world's most efficient, safe, innovative, and technologically advanced vehicles.

About Australian Hydrogen Council



The Australian Hydrogen Council (AHC) is the peak body for the hydrogen industry, with over 100 members from across the hydrogen value chain. Our members are at the forefront of Australia's hydrogen industry, developing the technology, skills and partnerships necessary to ensure that hydrogen plays a meaningful role in decarbonising Australian industry.

About IKEA Australia

In 2019, IKEA became the first home furnishing retailer in Australia to implement electric vehicles for home deliveries and assembly services. Since then, we have worked with our delivery partners including *ANC Delivers*, *Kings Transport*, and *All Purpose Transport* to implement home deliveries with electric vehicles across Australia.

Our longer-term goals are:

- By 2025, we aim for 100% of transport for customer deliveries and services to use electric vehicles (EV) or other zero-emission solutions.
- By 2025, all owned/leased/shared vehicles in our fleet to be EV or other zero-emission options.
- By 2030, we aim to reduce relative emissions by 50% from co-worker and customer travel to our physical stores and units.

