



## **Industry Webinar 1**

An introduction to the NVES Regulator and an update on progress since November 2024

21 February 2025

For follow-up questions and further contact, please email <a href="https://www.nvested.numer.numer.com/nvested.numer.numer.com/nvested.numer.numer.com/nvested.numer.num





# Introduction, regulatory posture and caretaker provisions

Karen Najjar

Assistant Secretary – New Vehicle Efficiency Standard Regulator

The New Vehicle Efficiency Standard (NVES) is the Australian Government's new policy to reduce light vehicle carbon emissions − essentially, Australia's CO₂ standard for cars. In 2023, light vehicles represented 60% of all transport emissions, and 11.4% of Australia's total carbon emissions.

Prior to the NVES, transport was projected to be Australia's largest source of emissions by 2030.

## Our vision

Empowering industry, safeguarding integrity and driving transparency towards a net zero emissions future.

### **Our activities**



#### Inform

Regulated entities have the information they need to meet their obligations under the NVES Act.

Communications are proactive, transparent and factual.



#### Collect

Systems, processes and tools are established to collect accurate vehicle emissions data.



#### Verify

Data is assessed and verified to make sure it is accurate and reliable.



### **Report**

Transparent and clear reporting to communicate outcomes.



#### **Deter**

Deter non-compliance by setting clear expectations and designing user-focused processes and guidance for regulated entities.



#### **Detect**

Active monitoring, engagement and evaluation.

Identify compliance risks through ongoing monitoring, engagement and evaluation.



### Respond

Use proportionate compliance actions relevant to behaviour.

## **Our regulatory priorities for 2025**



Implement and administer the NVES Act and associated legislation



Identify, engage and collaborate with regulated entities



Establish,
maintain and
calibrate a unit
registry and
trading system



Establish the NVES Regulator



Work with other vehicle and emissions regulators



Enforce compliance requirements and support regulated entities

## **Caretaker period**

### What is the 'caretaker' period?

- The caretaker period occurs when an election is called in Australia.
- It starts when the House of Representatives is dissolved.
- It stops when the election result is clear and one of the following has occurred:
  - The incumbent government is re-elected.
  - The new government is appointed by the Governor-General.

### What does this mean for NVES implementation?

- We will continue to prepare for the 1 July 2025 compliance date.
- The NVES Regulator Branch will be available to answer questions about implementation.
- The IT system build will continue and testing will remain available.
- Education and information materials will be drafted, published and shared.

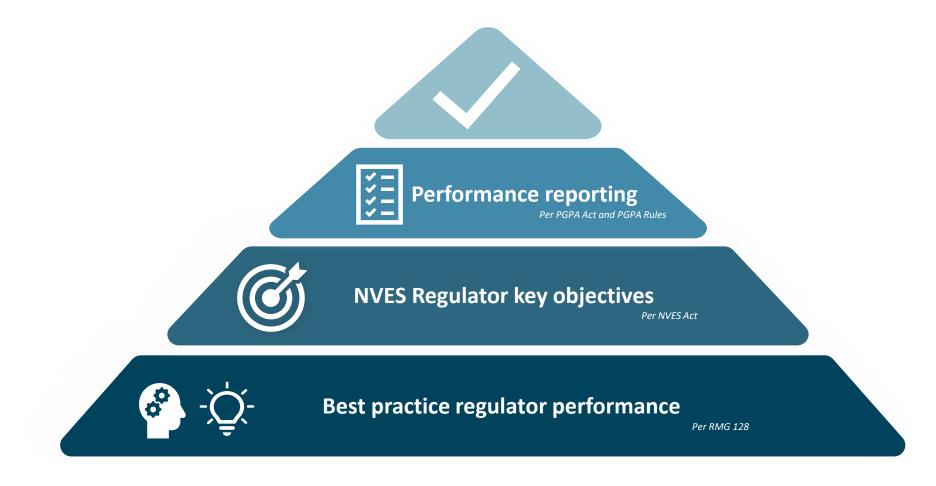


## **NVES Regulation and Engagement**

Dave Beck

Director – Regulation, Operations, Performance, Engagement and Communications

## Where we began...



## What's been keeping us busy



#### **Educate NVES regulated entities**

The Regulator engages with regulated entities to help them understand their obligations and NVES operations



#### Manage access to the NVES portal

Regulated entities can delegate and manage access to use the NVES portal on their behalf to authorised users



#### Submit NVES data to the RAV and make corrections

Regulated entities will be able to submit NVES data to the Register of Approved Vehicles (RAV,) or correct NVES data for entries on the RAV.



#### Calculate running emissions value

The system uses submitted RAV data to calculate the rolling emissions value throughout the year, accounting for corrections, and the IEV on the interim reconciliation day.



#### Assign units in the Registry

The Regulator allocates registry units to eligible regulated entities based on their IEV for the previous reporting year.



#### Calculate Final Emissions Value

The Regulator determines the final emissions value for a regulated entity for the reporting year based on their IEV and extinguished units.



#### Issue penalty notices and take payments

The Regulator issues penalty notices to regulated entities with FEVs greater than zero, and coordinates associated payments.



#### Notify and engage with NVES portal users

The Regulator send messages or requests additional information from regulated entities through the NVES portal.



#### Manage regulated entity profile

The Regulator manages the details of an entity's profile, and records off-system communication to maintain a single view of touchpoints with the regulated entity.



#### Store and manage reference data

System administrators can store, manage, update and maintain data in the NVES CRM that supports calculations and operations of the system.



#### Enable reporting by external partners

External parties who require access to NVES data to meet reporting obligations can access and consume relevant NVES data.

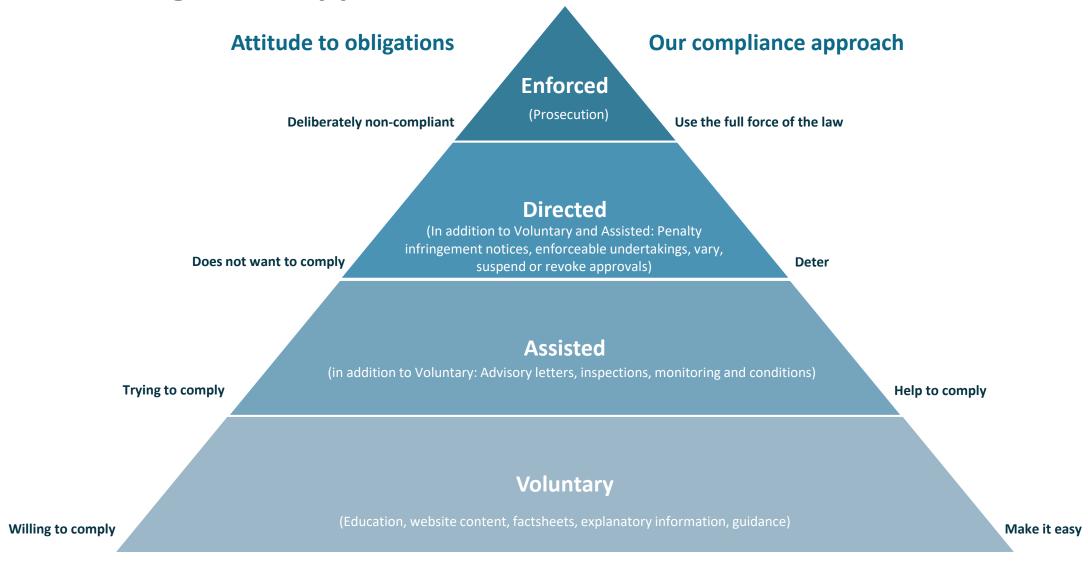


#### Prepare internal reports on NVES operations

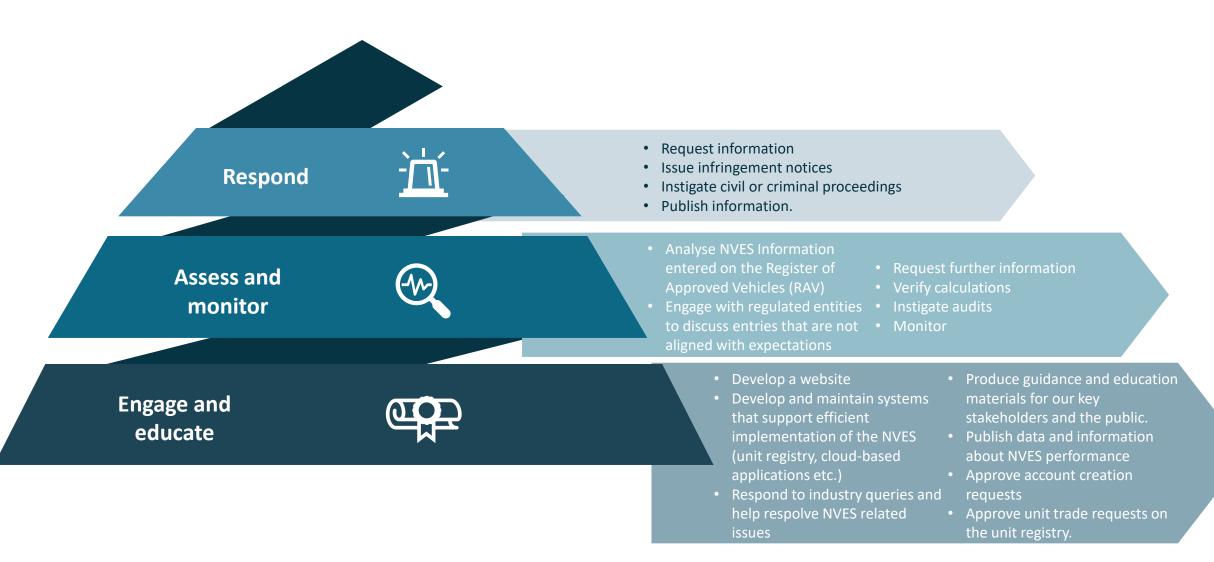
The Regulator can create, review and share reports based on data in the NVES CRM to understand the effectiveness of operations.

#### **OFFICIAL**

The NVES Regulator approach



## How we support regulated entities



### What's next?



Draft NVES corrections guidance



Map business and system processes and develop guidelines



Draft data integrity framework and guidelines



Develop our rick framework, principles and guidelines



Finalise and publish infringement and penalty guidance



Develop reporting dashboards



Draft compliance policy and guidelines



Draft audit framework and guidelines



Complete a regulatory maturity assessment and develop a capability framework that supports our activities

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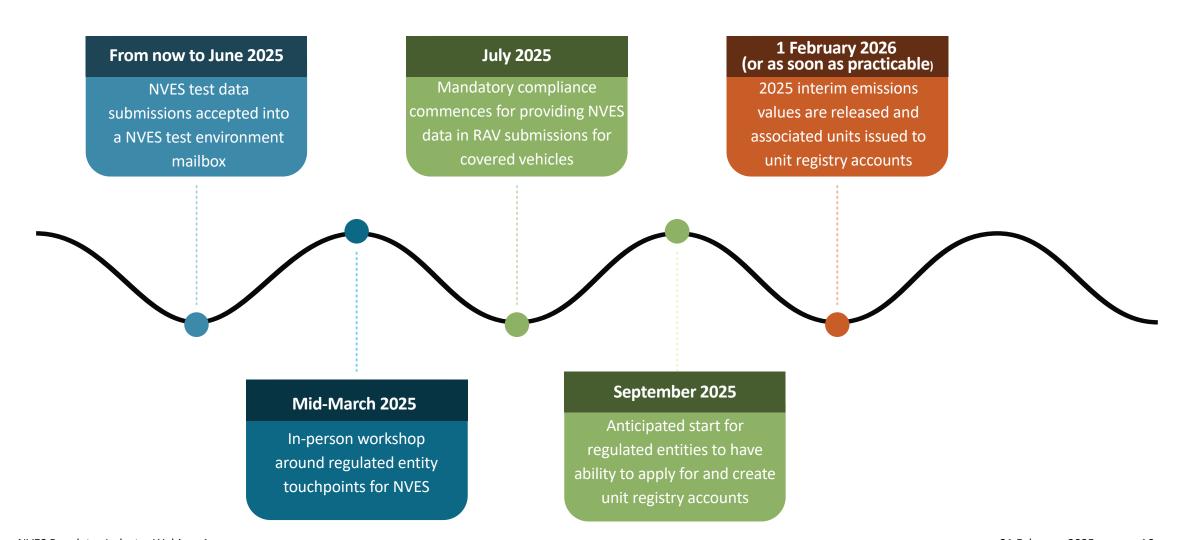


## **NVES Business Systems Design**

**Anthony Swan** 

Director – IT and Business Systems

### **NVES IT milestones**



## **NVES** data upload testing environment

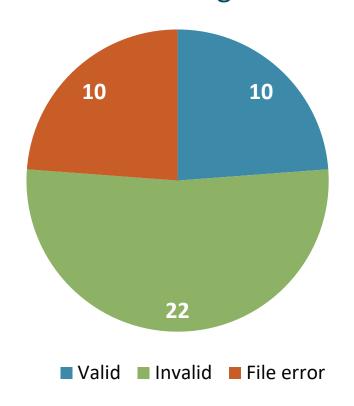
 A NVES testing environment is currently open for industry to test its intended uploads of NVES data ahead of the mandatory requirement to do so in the RAV format from 1 July 2025.

• Full details of the test environment, step-by-step instructions and the data template are available on the Regulator's website (<a href="www.NVESRegulator.gov.au">www.NVESRegulator.gov.au</a>) under 'Information for regulated entities'.

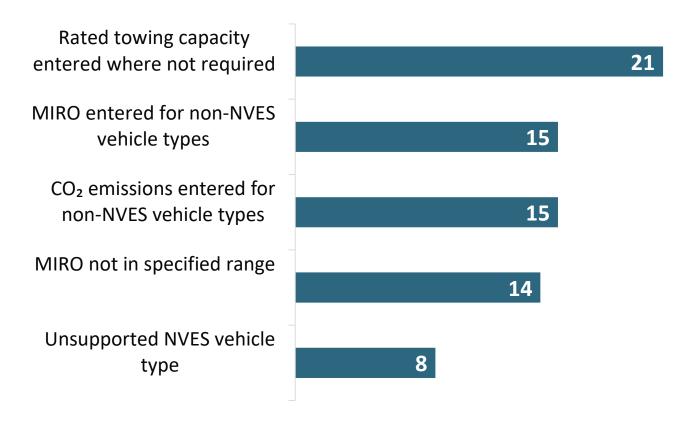
• We have overall test results so far showing some of the typical issues (next slide).

## **NVES IT test submissions** – as at 15 February 2025

# **42** test submissions received with the following results:



### Common validation errors





## Questions and next steps

Dave Beck

Director – Regulation, Operations, Performance, Engagement and Communications

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- key dates



## Thank you for your time today

For follow-up questions and further contact, please email

NVESRegulator@infrastructure.gov.au

