

CUTTING VICTORIA'S EMISSIONS 2021–2025

Transport sector emissions reduction pledge

Minister's foreword

As the fastest growing and second largest emitting sector, it is important that the transport sector pledge provides a step change and puts in place foundational measures that will deliver significant emissions reductions beyond 2030.

The transport pledge contains initiatives that mark Victoria as a national leader in reducing transport emissions with a 50 per cent target for all new light vehicle sales in Victoria by 2030, the first zero emissions vehicle subsidy scheme, the largest commitment for zero emissions vehicles in a government fleet and targets for zero emissions light vehicles and buses, and active transport.

The pledge also includes the establishment of an Expert Advisory Panel, which will provide advice on Government actions required to achieve our target of 50% light vehicle purchases being zero emissions by 2030.

We are also making it easier for people to use their zero emissions vehicles by increasing the charging network and making sure buildings are ready for zero emissions vehicles, and implementing a modest road user charge to ensure that our road network can be maintained when these vehicles are the majority of cars on the road.

Every trip taken by public or active transport reduces congestion on our roads and cuts emissions.

That is why we are continuing to make record investments in our public transport network and plan for a future that takes advantage of emerging technology. I am pleased that our buses and trains are now on track to join trams in being carbon neutral.

Over 250 kilometres of new active transport links are being delivered as part of our major transport infrastructure program and we are trialling an additional 100 kilometres of new and improved cycling routes across key inner-Melbourne suburbs to support our objective of active transport reaching a 25 per cent share of all trips.

These investments ensure that our path to net-zero emissions is an opportunity to develop new manufacturing opportunities, create good jobs and grow the economy.



The Hon. Ben Carroll MP
Minister for Public Transport
Minister for Roads and Road Safety



Overview of the transport sector

Transport is the second-largest source of emissions in Victoria. In 2019 it accounted for 25 per cent (22.7 Mt CO₂-e) of the state's emissions.

Transport is also the fastest-growing source of the state's emissions - with emissions from the sector increasing by 2.5 Mt CO₂-e (12 per cent) between 2005 and 2019.

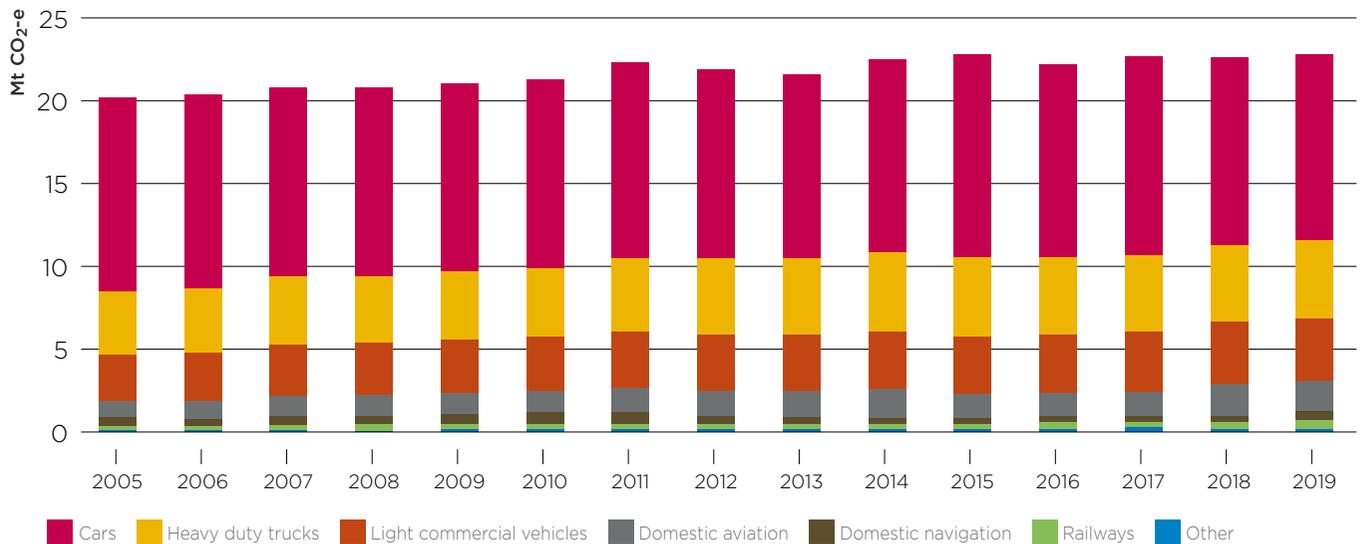
Victoria's strong economic and population growth in recent years has led to significant increases in transport demand and usage.

Road transport (including cars, light commercial and heavy vehicles) is responsible for approximately 87 per cent of the sector's emissions. The transport sector emissions reduction pledge lays the foundations for Victoria to shift to zero emissions transport.

25%

Transport is the second-largest source of emissions in Victoria

Transport sector emissions (2005-2019)



Source: State and Territory Greenhouse Gas Inventories 2019 (DISER 2021)



Emissions reduction pledge 2021-2025

Achieving substantial reduction in transport sector emissions will require a shift from petroleum-fuelled vehicles to zero emissions vehicles (ZEVs) powered by clean energy.

Setting targets for the uptake of ZEVs, with supporting policies and programs, will be important in driving this transition. The Government has set a target that 50 per cent of new light vehicles sales will be ZEVs by 2030. To get us there, we're establishing an Expert Advisory Panel to look at vehicle emissions standards, long-term incentives and other measures.

The Government will also set the following targets to drive further change in the transport sector:

- / All new public transport bus purchases to be ZEVs from 2025
- / 400 ZEVs to be added to the Victorian Government fleet by 2023
- / Increasing active transport mode share to 25 per cent by 2030.

The Government is taking immediate steps to support the uptake of ZEVs now. The pledge is supported by a \$100 million package of new policies and programs which will ensure Victoria is a leader in the adoption of ZEVs in Australia and position the state to take full advantage of the emerging global shift towards this new technology.

This is made possible by a modest zero and low-emissions road user charge that will be introduced at a fraction of the motor vehicle-related taxes and charges other vehicle owners pay, ensuring all road users are contributing to the upkeep of our roads.

The Government's ZEV Roadmap sets out Victoria's priorities for the transition to ZEVs.

Actions in the transport sector pledge will support:

- / Acceleration of the transition to ZEVs
- / Trials of ZEV technology
- / Increasing use of lower-emissions transport modes such as public and active transport
- / More efficient use of our transport network.

ACTIONS

under the transport sector pledge lay the foundations to achieve substantial emissions reduction later this decade and beyond

Emissions reduction actions

Zero emission vehicles (ZEVs)

- / A \$46 million ZEV subsidy program, the first of its type in Australia, will provide grants to people and businesses wanting to buy ZEVs. The subsidies will be targeted to support the supply of low to medium-priced vehicles and broaden the range of models available. This will increase public demand for ZEVs and give vehicle importers the confidence to invest in the future.
- / \$5 million has been committed to establish a commercial sector ZEV Innovation Fund to encourage the uptake of ZEV commercial vehicles.
- / \$19 million will be invested under the energy sector pledge to establish a coordinated public fast-charging network at key tourist and community destinations and at high-use locations, and to support the rollout of charging infrastructure for commercial and government fleets. This will make it easier for people to use their ZEVs with confidence throughout the state. Other actions under the energy sector pledge that will further support the move to ZEVs include the ZEV Roadmap and further reforms to make new buildings ZEV ready.
- / \$10 million to add 400 zero emissions vehicles to the Victorian Government fleet over the next two years.

- / An Expert Advisory Panel will be established to advise the Government on what new policies, programs and investments are required to ensure ZEVs make up 50 per cent of all new light vehicle sales in Victoria by 2030. Many advanced economies already have ambitious ZEV policies. The Panel will be asked to take account of major international developments in making its recommendations.
- / \$20 million has been committed for a Zero Emission Bus Trial, with the results to inform the transition to 100 per cent of bus purchases for use on the public transport network being zero emissions buses from 2025.

National advocacy

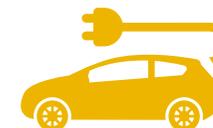
- / The Victorian Government will advocate for improved national fuel efficiency standards for both light and heavy vehicles consistent with international best practice to drive down emissions from fossil-fuel powered vehicles while we transition to ZEVs. Victoria will also work with other States and Territories to look at options for developing a harmonised approach to vehicle emissions standards, in the absence of action at the national level.

A more efficient transport system

- / Investment in public transport infrastructure and services will continue, with the Government's major projects including Suburban Rail Loop, Metro Tunnel, level crossing removals, new trams and trains, Melbourne Airport Rail and metro and regional rail upgrades.
- / Investment in active transport infrastructure such as bike paths and road re-design will support a shift to low and zero emissions travel choices such as walking and cycling. The trial of 100 kilometres of pop-up bike lanes is already underway in key areas to support the increased use of active transport modes. The Victorian Government aims to increase the active transport mode share from 18 per cent in 2021 to 25 per cent in 2030.
- / Improved road network operations will result in more active management of our road network, better travel information and new network management measures to keep traffic moving efficiently.

50%

of Victoria's light vehicle sales will be zero emissions vehicles by 2030



Acknowledgement

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We are committed to genuinely partner, and meaningfully engage, with Victoria's Traditional Owners and Aboriginal communities to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.

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This instrument has been made to give effect to the requirements in Division 3 of Part 5 of the *Climate Change Act 2017*.

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