



Australian Government
Department of the Environment and Energy

Product Emissions Standards Act 2017

Customs Broker Seminar

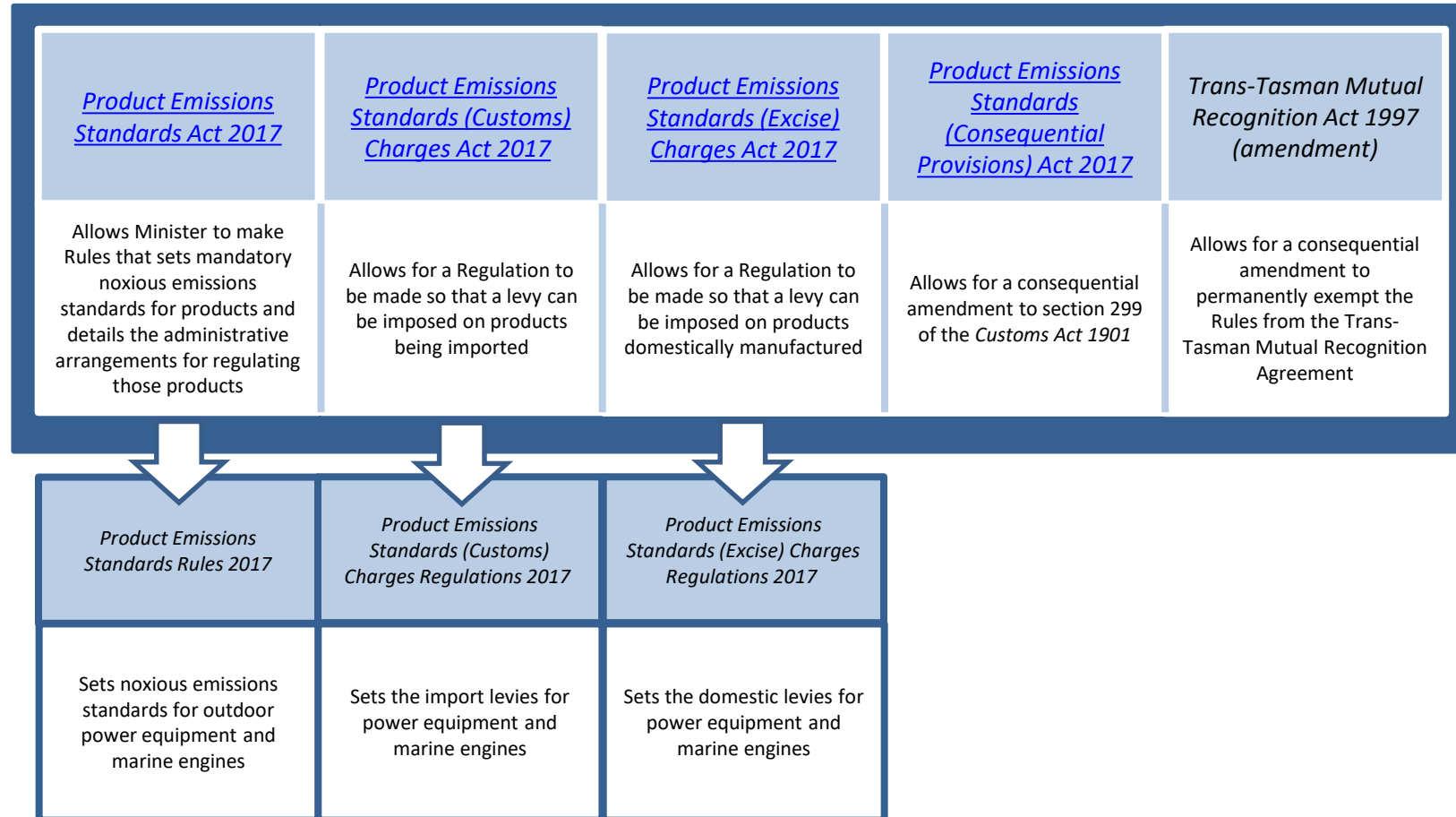


Content

- Overview of the legislation
- Compliance activities
- Looking forward
 - Annual levy
 - Transitional provisions



Our legislative framework



Key dates

- **Now**
 - applications for Australian certifications and exemptions can be made to the Department
 - only products that meet the emissions standards (and are marked accordingly) are allowed to be imported you will see a CPQ triggered
- **After 1 July 2019** – collection of levies (from importers) for 18/19 FY
- **1 July 2020** – only products that meet the emissions standards can be supplied in Australia



What is regulated?

- Emissions-controlled products (ECPs)
- Standards for new petrol-powered outdoor powered equipment and marine engines
- What is included:
 - New petrol powered engines <19kw used to power household and commercial equipment
 - New petrol powered engines used to propel marine vessels
- What is not included:
 - Second-hand products
 - ATVs
 - Electric products, scale model engines
 - Specialised competition engines



Examples of emissions-controlled products

Non-handheld	Handheld	Marine
Air compressor	Brick/concrete saw	Inboard engine
Brick elevator	Concrete vibrator/deaerator	Jet boat engine
Cherry picker/scissor lift	Garden edger	Outboard engine
Concrete grinder	Hammer drill	Personal watercraft
Concrete mixer	Hedge trimmer	Sterndrive engine
Firefighting/water pump	Jackhammer	Water scooter
Generator	Leaf/vacuum blower	
Go kart	Posthole borer/auger	
Lawn aerator/corer	Powered broom	
Leaf/garden vacuum (walk behind)	Trowel machine (concrete)	
Log splitter	Whipper snipper/line trimmer	
Mini loader		
Mulcher/chipper		
Pitch roller		
Plate compactor		
Pressure cleaner		
Push mower		
Ride-on mower		
Rotary hoe		
Slasher (ride on)		
Snow blower		
Stump grinder		

How are we regulating products?

- The engines in ECPs must be certified and the standards allow for two types of certification routes:

1. Recognised foreign certification:

- European Union
- US Environmental Protection Agency
- Environment and Climate Change Canada
- California Air Resources Board

2. Australian certification

- Application may be made to the Department of the Environment and Energy and assessed using methods of the US EPA standards
- **Only needed if not foreign certified** (almost all engines are foreign certified)



How are we regulating imports?

Since 1 July 2018

- CPQ: “Are these goods (or do these goods contain) new spark-ignition non-road engines or new spark-ignition propulsion marine engines as defined in the Product Emissions Standards Rules 2017 sections 7, 8 and 9?
 - If yes, please enter the relevant certification or exemption number for the product
- This is not a red line CPQ



What are certification and exemption numbers?

- Certification numbers apply to the engine in the product and vary depending on the issuing regulatory authority
 - Numbers & letters used vary but generally follow particular formats:
 - » US EPA (non-road): JHVXS.0945AD
 - » US EPA (Marine): HBCXM0158226
 - » EURO stage II (non-road): e12*97/68SA*2012/46*0341*03
 - » EURO stage V (non-road): e14*2016/1628*2016/1628SHB3/P*0078*03
 - » EU Marine numbers have no standardised format
 - Certification number guide is available on our website.
 - Where an Exemption is granted by the Department, we will issue unique exemption number and these are listed on our website
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Compliance activity

- Reviewing import data
- Three key areas of focus looking at these responses to the CPQ:
 - Yes - but no certification or exemption number provided
 - Yes - but incorrect certification number provided
 - No - but product description includes trigger word(s), indicating an ECP, or limited information in description.
- Clarifying anomalies



Compliance Activity cont.

- No certification or exemption number entered
 - Continue to leave this blank if your client has not provided the number to you.
 - Caveat - ensure your client is aware that products must be certified
- Incorrect certification number
 - The formatting is important (entering the full number and other characters exactly as supplied to avoid unnecessary compliance flags)

Eg: e12*97/68SA*2012/46*0341*03

Compliance activity cont.

- **No response to the CPQ**

- Purpose of this activity

- Determining our risk profile – where are there risks?

- Education – for both industry and the department

- What we found

- 14% (<23,000) of products have been confirmed as an ECPs (all of these were certified)

- Improved product description in ICS would significantly reduce 'anomalies' being flagged

- Individual or low volume imports are problematic



Looking forward

The levy

- Importers are liable for a levy, collected at the end of each financial year
 - The first will be collected at the end of this financial year
 - Import data is used to calculate the levy
 - Cost of the levy is 0.45% of the cost of each item imported
 - Low levy threshold (\leq \$32,000)
 - High item threshold value (\$20,000)
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How will the levy collection process affect you?

- Importers that have surpassed the low levy threshold will be advised
 - In July importers will receive a levy notice with the amount owed and a summary of their imports
 - Importer will be given an opportunity to amend their import data, if needed, before the final invoice is sent.
 - The invoice will be calculated using revised import data.
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Looking forward cont.

- Transitional Provisions
 - Phase out of EURO stage II certified products under the PES Rules
 - From 1 July 2020 only EURO stage V certified products can be imported
(Regulation (EU) 2016/1628)



Client obligations

- Importers are responsible for complying with the PES Act and the Rules
- Offences under the Act
 - Import
 - Supply (commences 1 July 2020)
 - Marking requirements
 - Record keeping
- Penalties apply to all of these offences



Further information

Website:

www.environment.gov.au/protection/air-quality/emissions-standards

Email:

productemissions@environment.gov.au



Questions?
