

Product Emissions Standards Act 2017

FTA Webinar

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Amanda Morvell, Department of Agriculture, Water and the Environment



What we will cover today

- Australia's emissions standards
 - How they work
 - Key dates
- Importer obligations
 - Importing certified and labelled products
 - The annual levy
- What customs brokers need to do
 - How to answer the community protection question in ICS
 - Common questions/issues



The Product Emissions Standards Act 2017

 Aims to improve air quality by regulating emissions from certain products

Harmonises with international standards

Use of border supports regulation and compliance



Key dates for phase in of the standards



Emissions-controlled products (ECPs)

- Products covered are:
 - Spark-ignition engines with a maximum power of 19kW, or
 - Spark ignition engines used in marine vessels (no max power)

Not included under the emissions standards

- Outdoor petrol-powered equipment rated 19.1kw and above
- Products imported before 30 June 2018 and supplied before 30 June 2020
- Second-hand or used products
- ATV's and hovercrafts
- Competition engines
- Non-road diesel engines



Examples of ECPs

Marine	Handheld	Non-handheld
Inboard engine Jet boat engine	Brick/concrete saw Concrete vibrator/deaerator	Air compressor Brick elevator
Outboard engine	Garden edger	Cherry picker/scissor lift
Personal watercraft	Hammer drill	Concrete grinder
Sterndrive engine	Hedge trimmer	Concrete mixer
Water scooter	Jackhammer	Firefighting/water pump
	Leaf/vacuum blower Posthole borer/auger Powered broom Trowel machine (concrete) Whipper snipper/line trimmer	Generator Go kart Lawn aerator/corer Leaf/garden vacuum (walk behind) Log splitter 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:

Recognised foreign certification:

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

Australian certification

Application to the Department and assessed using methods of the US EPA standards. This is only needed if not foreign certified (almost all engines are foreign certified).



Exemptions

Exemption category (Rules reference)	Description
Export (30(1)(a))	Products will be exported from Australia but not used in Australia.
Testing evaluation and display (30(1)(b))	Products will be tested, evaluated, displayed, advertised, offered for supply or pre-ordered but not used or supplied in Australia before the products are certified.
National Security (30(1)(c))	Products will be used by the Australian Defence Force or law enforcement or security agency for national security purposes.
Emergency Services (30(1)(d))	Products will be used by an emergency services organisation.
Competition (30(1)(e))	Products will be used in organised competition.
Replacement engines (30(1)(f))	Replacement engines for uncertified, unserviceable engines.



Answering the Community Protection Question

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.

Common issues when answering the CPQ

- Identifying whether the product is captured under the standards
 - Include some text to specify if the product is not petrol powered, e.g. 'electric chainsaw' rather than just 'chainsaw'
- The quantity of the products is not specified
 - ➤ The quantity changes the levy amount payable, and inputting the quantity in the declaration means we do not need to come back to you for more information about how many products there are
- Only enter one certificate number per line item
- Do not group products on one line item that are not captured under the standards as this impact the cost of the levy
- Ensure your client provides the emissions label certification number, not evaporative emissions.

The annual levy

Importers are liable for a levy, collected at the end of each financial year.

Import data is used to calculate the levy, so it is important that you include the **quantity** of products in the import declaration.

Cost of the levy is 0.45% of the cost of each item imported

- Low item threshold (</=\$32,000)
- High item threshold value (\$20,000)

How does the levy affect customs brokers?

- 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.

Labelling requirements

For foreign certified products:

- ✓ Must comply with the requirements of the relevant foreign standard
- ✓ Must be in English

Australian certification

- ✓ Includes information identifying the manufacturer, the product and the certification number
- ✓ Able to be read

Labelling requirements – US EPA, CARB, Canada

Non-road Engine Family

JHVXS.0945A

JHVXS.0945A

JHVXS.0945A

JHVX**S**.0945A

JHVXS.0945A

JHVXS.0945A



How can you tell Euro stage II vs Euro stage V

- Euro Stage II emissions standards,
 - Original Directive 97/68/EC
 - Amending Directive (2002/88/EC, 2004/26/EC, 2006/105/EC, 2010/26/EU, 2011/88/EU or 2012/46/EU.
- Euro stage V Directive is 2016/1628

Euro II

E13*97/68SN4G2*2012/46*0615*08

Euro V

E13*2016/1628*20##/ABCDDD1/P*####



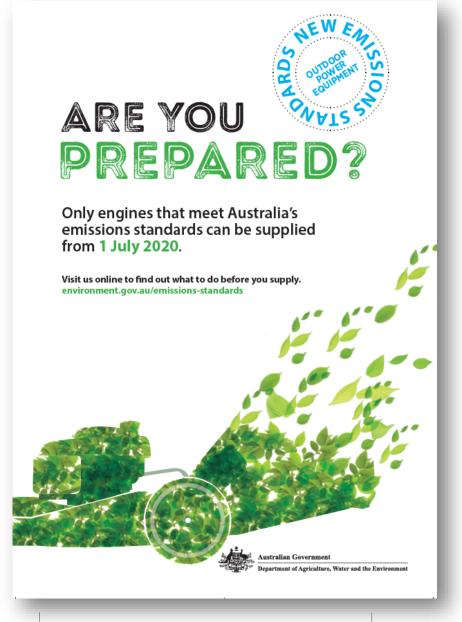


Your client's obligations

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

What does your client need to do?

- Import products that are meet the emissions standards
- Provide the certification or exemption number to their customs broker
- Ensure products are labelled
- Keep records of the import and supply of products for 5 years
- Keep a copy of the exemption number and any conditions with the exempt product (if relevant)
- Pay the levy where they import products worth more than \$32,000 over a FY
- From 1 July 2020, only supply or offer for supply products that are certified or have an exemption



Summary of key points to remember

- New spark ignition engines and equipment (outdoor power equipment and marine engines) imported into Australia must meet the emissions standards.
- Ensure your client provides you with a certification or exemption number.
- Recognised international authorities are: the US EPA, CARB a member state of the EU, and Environment and Climate Change Canada.
- In line with the *Custom Act 1901*, customs brokers must correctly answer the Community Protection Question in the ICS and enter the correct certification or exemption number.
- European-certified changes from Euro Stage II to Euro Stage V. From 1 July 2020
- Euro Stage V certification numbers may exceed the character limit omit the asterisks and forward slashes only.
- One certificate number per line item.
- ECPs should not be grouped with products that are not captured under the standards.

Further information

Website: www.environment.gov.au/emissions-standards

Email: productemissions@awe.gov.au

Phone: 1800 803 772

Questions?

