

Meghan Quinn PSM
Secretary
Department of Industry, Science and Resources

Date: 16 March 2023

A: GPO Box 2013, Canberra ACT 2601
E: Submitted via consultation hub

RESPONSE TO THE NATIONAL BATTERY STRATEGY ISSUES PAPER

Dear Ms Quinn,

The Australian Automotive Dealer Association (AADA) welcomes the opportunity to provide a response to the National Battery Strategy Issues Paper.

The AADA is the peak automotive industry body which represents Australia's franchised new car Dealers. There are approximately 1,500 new car Dealers in Australia that operate some 3,000 new vehicle Dealerships. Franchised new car Dealers employ more than 59,000 people directly and generate more than \$59 billion in turnover and sales with a total economic contribution of over \$14 billion.

The AADA is supportive of the development of a National Battery Strategy to help build a sustainable and competitive battery industry in Australia and recognises that a strong battery industry will be vital to Australia's transition to net zero emissions.

Over the last few years, there has been an increased push towards government policies and initiatives to reduce transport related emissions and encourage the transition to Electric Vehicles (EV). As outlined in the National Electric Vehicle Strategy (NEVS) consultation paper, "Some Australian state and territory governments signed the COP26 declaration on accelerating the transition to 100% zero emission cars and vans by 2040 and by no later than 2035 in leading markets". While the true nature of EV uptake in the future is unknown, this figure highlights the mammoth task ahead for Australia in ensuring safe and effective management of batteries from EVs.

When considering the development of a national strategy for batteries, governments must consider the unique nature of EV batteries in terms of the challenges and opportunities they present. It is important to develop a unique and targeted strategy for EV battery management in terms of handling, storage, transport, and recycling processes. This strategy should be clear and robust in the delegation of responsibilities in all stages of a battery/vehicle life cycle.

Australia's supply of critical minerals used in battery production and local innovation and research capabilities provides significant advantages in the development of battery manufacturing. Australia must capitalise on this issue and place itself at the forefront of EV growth and position itself as a key player in the global EV supply chain. As such, the AADA considers that there is opportunity to use our abundance of critical minerals to influence OEM behaviour and drive better EV supply outcomes for Australia. The Australian Government should seek to encourage OEMs to supply the Australian market with more EVs considering Australia's status as a supplier of critical minerals.

In preparing a National Battery Strategy the Australian Government should also consider the developments in the EU and USA where there has been significant work done to create policies and regulations which support well informed EV battery recycling. For example, the EU is currently developing new regulations that require manufacturers and those involved in the supply chain to meet product standards, recycling content minimums and new product stewardship regulations, including a digital battery passport.

The AADA recommends that a National Battery strategy for EVs should be integrated with the NEVS and informed by the work being done at the industry level on the prospect of a National End of Life vehicle (ELV) product stewardship arrangement. The AADA also recommends that any initiatives be implemented at the federal level to ensure uniformity between states and territories.

Direct consultation with the automotive industry on these issues will be important in developing a policy that meets the needs and is practical for industry. The AADA is keen to work with the Government to develop a strategy for the management of EV batteries, and the Australian new car Dealer network is well placed to work with their OEMs to assist consumers with maintenance, repairs, and recycling of EV batteries.

AADA RESPONSE TO THE CONSULTATION QUESTIONS

4.4 How can governments and industry ensure circular economy principles are incorporated into the life cycles of batteries made and used in Australia?

The National Battery Strategy should identify EV battery recycling as an early priority to ensure the effective management of battery recycling and provide a clear roadmap for the future. Recycling EV batteries within Australia could contribute to the recovery of resources and remanufacturing for use in new products. Domestic recycling programs will also avoid the production of transport emissions which will occur if the batteries are shipped offshore for recycling.

The AADA considers that EV batteries should be provided with a serial number and be easily identifiable. These batteries should also only be processed in an ELV system and therefore accounted for to ensure that stockpiling, dumping or inappropriate use does not occur. An ELV project is currently underway to investigate the prospect of establishing a National Product stewardship plan for ELVs. EV batteries should be included in the ELV plan.

Along with ensuring that technicians working on EVs, including removing or installing batteries, storing, and or recycling EV batteries are operating in a safe working environment and that they are adequately trained.

EV owners will want to be reassured that the battery in their end of life or repaired vehicle will be recycled, not dumped. This will also help to ensure that circular economy principles, particularly elimination of waste and pollution, and circulation of materials are incorporated into the life cycles of EV batteries.

CONCLUSION

We would be happy to meet with you to discuss our submission and participate in any meetings or roundtables. If you require further information or clarification in respect of any matters raised, please do not hesitate to contact me.

Yours Sincerely,



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