



National Heavy Vehicle Standards Partially Completed Vehicles Exemption Notice 2023 (No. 1) Operators Guide

June 2023



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Introduction

This National Heavy Vehicle (Partially Completed Vehicles) Exemption Notice 2023 (No. 1) Operator's Guide (the Operator's Guide) supports the National Heavy Vehicle Standards (Partially Completed Vehicles) Exemption Notice 2023 (No. 1), (the PCV Notice).

➤ The PCV Notice is intended to be read in conjunction with the partially completed vehicle provisions as detailed in the Administrator's Circular 0-4-11 published by the Department of Infrastructure, Transport, Regional Development Communications and the Arts (the Federal Department of Infrastructure).

Background

Heavy vehicles are commonly customised to suit a variety of transport applications. To facilitate these customisations, manufacturers construct vehicles to a stage where the vehicle is mostly complete, but may require additional work before it can be used for its intended application. These vehicles are referred to as partially completed vehicles (PCVs).

A *partially completed vehicle* is a vehicle which has been manufactured to a stage where, although it is registrable, additional work will be necessary to be able to put it into service (e.g., a 'Chassis-cab' without a tray). - <u>Vehicle</u> <u>Standard (Australian Design Rule – Definitions and Vehicle Categories) 2005</u>

Based on feedback provided by truck manufacturers, the National Heavy Vehicle Regulator (NHVR) understands that for a number of reasons, many manufacturers move vehicles before they are provided to a consumer in Australia. Some of these reasons include moving the vehicle:

- to a storage facility or a fit out facility
- to a component manufacturer, such as a body fitter, to complete the construction of the vehicle
- to road test the vehicle.

The PCV Notice has been developed:

- to streamline the process for manufacturers to move these vehicles
- provide the necessary exemptions; and
- allow the manufacturer, either directly or by direction to a third party, to move the vehicle for particular purposes.

This Operator's Guide has been developed to provide guidance on:

- what is an eligible vehicle
- what is an eligible journey
- complying with the conditions of the PCV Notice
- minimising the safety risks.

What is an eligible vehicle?

The PCV Notice applies to new, partially completed vehicles, driven under instructions provided by the vehicle manufacturer for the purpose of completing the vehicle.

New vehicle means a vehicle that has not been used in transport on a public road in Australia or outside Australia, other than:

- (a) to have work done on it; or
- (b) to protect it; or
- (c) to store it; or

(d) if the vehicle has been imported—to transport it to the importer; or

(e) if the vehicle has been exported—to transport it to the exporter. – *Road Vehicle Standards Rules 2019*

To be eligible to operate under this notice, the manufacturer must have a current approval, issued by the Federal Department of Infrastructure, that allows them to enter the vehicle on the Register of Approved Vehicles (RAV). The vehicle must also comply with all conditions listed on the RAV entry approval, as well as the conditions detailed in the PCV Notice.

The vehicle manufacturer is the entity that holds the RAV entry approval. For a vehicle to be considered to be driven under the direction of the vehicle manufacturer, the movement must be in accordance with instruction for work to be completed or road tested given by the vehicle manufacturer.

An eligible vehicle must:

- be a new vehicle
- have current RAV entry approval
- comply with the conditions of the RAV entry approval and the PCV Notice.
- be driven under the direction of the vehicle manufacturer

An eligible vehicle <u>must not</u>:

- have been provided to a consumer in Australia
- carry any goods or passengers
- pose an uncontrolled safety risk

Non-eligible vehicles

A vehicle that complies with all relevant ADRs is not an eligible vehicle for the purpose of this notice. Where a vehicle is fitted with temporary components that meet the relevant ADR requirements, the vehicle is considered to be a compliant vehicle.

Version: 2.0 - Release date: 19/06/2023



What is an eligible journey?

Eligible vehicles travelling under the PCV Notice may undertake an eligible journey.

An eligible journey includes:

- travel on a public road
- within an approved area of operation
- between approved sites
- by the most appropriate route, or
- for the purpose of road testing.

Vehicles undertaking a journey that does not meet the above criteria must be made ADR compliant or obtain an exemption permit.

Approved area of operation

An eligible journey must be within a 100km radius of where the journey began. The area that the vehicle may travel is calculated using the same method as for determining local area work however the place where the journey began is substituted for the driver's base.

➤ To assist drivers and inspectors, it is recommended that drivers have written record of the location the journey began.

Where a vehicle is to be driven outside the 100 km area, the vehicle must be made compliant or obtain an exemption permit. ADR compliance may be achieved by adding either temporary or permanent ADR compliant components.

Approved sites

An eligible journey includes travel by the most appropriate route between any of the following approved sites:

- the place where the vehicle was manufactured or the place where the vehicle entered the country
- a storage facility operated by, or on the behalf of, the vehicle manufacturer
- a component manufacturer for the purpose of finishing construction of the vehicle.

➤ An eligible journey may include the initial delivery to a dealership but does not include movements made by the dealer or for the purpose of sale, registration or any other purpose not detailed in the PCV Notice.

Most appropriate route

A route assessment should be conducted to determine the most appropriate route. This may be either the shortest route or one that avoids any undue safety risk.

The most appropriate route may change according to the time of day or weather on a particular day.

Road testing

Eligible vehicles may also be used on a public road for the purpose of road testing. As road testing is generally carried out towards the end of the fit-out process, it is expected that the vehicle will be, as far as reasonably practicable, made to comply with all appropriate ADRs before road testing is carried out.

An eligible vehicle may carry a person in addition to the driver to carry out diagnostics, validation or evaluation of the vehicles performance.

Solution Road testing for the purpose of purchasing/sale of the vehicle is not covered by this notice.

Complying with the conditions of the PCV Notice

Vehicles operating under this notice will have at least one ADR non-compliance. The purpose of this notice is to assist vehicle manufacturers complete the fit out of new vehicles and achieving full ADR compliance. Before an eligible vehicle can undertake an eligible journey, any safety risk that the ADR non-compliance(s) pose must be considered and controlled.

Vehicles operating under this notice are not permitted to carry goods. However, components intended to complete the vehicles construction, may be carried in accordance with the load restraint requirements of the HVNL.

Where it is not possible to bring the vehicle into an ADR compliant state, any safety risks posed by noncompliance must be eliminated or minimised in accordance with the manufactures documented mitigations.

▶ To assist roadside enforcement, the vehicle manufacturer should provide the driver moving a vehicle, with evidence (in writing) of compliance with the PCV Notice.

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Letter of Compliance

Where an eligible vehicle has not been entered on the RAV, or where required, fitted with a vehicle plate, the vehicle manufacturer must provide the driver with a Letter of Compliance.

This letter must:

- be written on the manufacturer's letterhead
- state the VIN of the vehicle
- be in the driver's possession when the vehicle is being moved.

Appropriate representative of the vehicle manufacturer

Only an appropriate representative of the vehicle manufacturer may issue a letter of compliance. In most cases, the representative will be someone registered as an agent or a delegate of the manufacturer registered on the Federal Departments ROVER system.

NOVER (Road Vehicle Regulator), is the administration system for the *Road Vehicle* Standards Act 2018 used by vehicle manufacturers to certify that vehicles meet prescribed standards specified in the Australian Design Rules (ADRs).

Alternatively, a director or senior manager of the vehicle manufacturers legal representative in Australia (i.e., an Australian registered company/organisation) may issue the letter.

Additional requirements

The PCV Notice gives exemption to the ADR requirements specifically listed. All other requirements relating to licencing, vehicle movements, road rules etc. must continue to be complied with.

Minimising the safety risk

To ensure vehicle manufacturers are able to move vehicles in a way that suits their business needs, the PCV Notice requires the vehicle manufacturer to move eligible vehicles in a risk managed way, as opposed to the NHVR setting specific risk mitigating conditions.

This approach makes the vehicle manufacturer responsible for ensuring that any safety risks posed by the movement of a non-compliant vehicle have been identified, assessed and controlled. This is achieved by adopting a simple four-step process:



What is a safety risk?

The Heavy Vehicle National Law (HVNL) defines a safety risk as a risk to persons, property or harm to the environment.

When considering a safety risk, 'persons and property', includes:

- the driver or passenger of the vehicle or of other vehicles
- people or property in the vicinity of, or likely to be in the vicinity, of road infrastructure or public places
- vehicles and combinations, including any loads in them.

Steps 1 and 2: Identify and assess the safety risks

Eligible vehicles must be manufactured to comply with all applicable ADRs and the National Regulations, other than those exempted by the PCV Notice. This is because each ADR, when originally introduced, was intended to perform a particular function or address a particular risk(s).

Where a vehicle does not comply with one or more ADR requirement(s), there is an increased safety risk. To identify the specific safety risks posed by the non-compliance, the manufacturer must firstly consider the intent of the ADR that has not been complied with.

Example:

Rear retro-reflectors are intended to identify the rear of the vehicle to other road users and highlight to them the extremities in low light situations, especially when the vehicle's lights are not in use.



Step 3: Treat the safety risks

The PCV Notice requires the manufacturer to, so far as is reasonably practicable, eliminate safety risks and, to the extent it is not reasonably practicable to eliminate safety risks, minimise the safety risks.

When developing ways to eliminate or minimise the safety risk posed by a non-compliance, consideration must be given to the nature of the risks identified and the impact that these may have.

Once the intent of the non-conforming feature has been identified, consideration should be given to who will be affected by the non-compliance, the driver or other road users, and what factors can be controlled.

Implementing conditions on the use of the vehicle (including conditions placed on the route, time of day or weather in which travel can occur) or making physical changes to the vehicle (adding temporary guards, stacks or reflectors) are some of the ways a manufacturer may reduce the risks posed by non-compliance.

Example conditions that require physical changes to the vehicle may include:

- adding temporary wheel guards if the vehicle is to be used in inclement weather or on unsealed roads
- adding temporary (non-ADR compliant) lights or reflectors.

Example conditions that relate to the route may include:

- Avoiding peak hour travel and schools zones
- Traveling on the most direct route between sites
- Prohibiting travel at night or in low light conditions.

Example:

A vehicle that is fitted with rear retro-reflectors that are not in complying locations may have the following conditions considered:

- **1.** No travel between sunset and sunrise
- No travel during times of reduced visibility (rain, fog, snow etc.)
- Where travel needs to be undertaken contrary to conditions 1 and 2, the vehicle must be accompanied by an escort vehicle.

The conditions implemented must relate directly to the risks identified and assessed as relevant to the specific non-compliance.

The manufacturer's risk mitigation policies and procedures must also consider how changes in circumstances are managed that may impact the risk of using a partially completed vehicle on a road.

Step 4: Monitor and review

The final and often forgotten step, to mitigating safety risks, is to ensure that the steps taken to reduce the risks are effective. To do this, you can:

- keep a record of any incidents or near misses
- regularly review the mitigations
- if necessary, adjust the mitigations to prevent the reported incidents or near misses.

Complying with the Heavy Vehicle National Law

The operator of a heavy vehicle must ensure their vehicle complies with the ADRs, the HVNL and the heavy vehicle safety standards, relevant Notice or current Exemption Permit. Using or permitting another person to use a defective heavy vehicle, or a heavy vehicle with unapproved modifications on a road, is an offence.

Failure to comply with the conditions of the PCV Notice will leave the driver and operator liable for an offence.

Penalties can include on-the-spot fines or prosecution. For more information, see the Compliance and Enforcement Bulletins at www.nhvr.gov.au/ce-bulletins

Chain of Responsibility

Under the Chain of Responsibility (CoR) laws, everyone in the transport supply chain must take positive steps to prevent any breach of the mass, dimension and load restraint provisions.

Your Responsibility

Every effort has been made to provide accurate information at the time of production of this Operator's Guide. However, any trip is made at the absolute risk of the operator and driver of the heavy vehicle.

For more information:Visit:www.nhvr.gov.auEmail:info@nhvr.gov.auPhone:13 NHVR (13 64 87)*

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