



**Imported Motor Vehicle Industry Association Incorporated**

# **Annual Report**

**1 April 2022 – 31 March 2023**

## **Annual Report for the period April 2021 to March 2023**

**Annual General Meeting:**

**Thursday 20<sup>th</sup> July.**

**Autohub, West Harbour, Auckland, and accessible by video link.**

### **Patron**

Alistair Sheard

### **Board**

Chris Stephenson	Chair
Frank Willett	Interim chair
Rob Young	Deputy chair
Matt Battle	
Ken Quigley	

**Chief Executive** David Vinsen

**Solicitors** Lee Salmon Long

**Accountants** Henning & Associates

**Bankers** Westpac  
ANZ Bank

## **Mission Statement**

**“VIA is committed to supporting and promoting the vehicle import industry.”**

**VIA represents those who are directly or indirectly involved in the importation, refurbishment and marketing of vehicles.**

This report covers the activities of the Imported Motor Vehicle Industry Association (“VIA”) for the 12 months from April 2022 to March 2023.

## **1. Governance:**

### **a. Constitution and Restructure**

The restructured association has been in effect for almost three years.

### **b. Board**

The board of directors has responsibility for governance and finance.

Frank Willett has accepted responsibility as chair of VIA on an interim basis until the AGM.

### **c. Council**

The Council comprises representatives of all tiers of members, and has responsibility for industry issues.

The Council has met on a number of occasions, in person and with video access.

Council meetings have consisted of reports and discussions on industry issues, with guest speakers on occasion.

## **2. Management**

The Chief Executive formally reports to the Chairman of the elected board, with responsibility for implementing the policies of the association, and for managing its operations. He is an independent contractor, and has been engaged on reduced hours for the past 12 months.

## **3. Staff**

VIA staff has consisted of:

- Malcolm Yorston, Technical Services Manager (part time)
- Kit Wilkerson, Policy Analyst and Statistician

The role of our long-serving Office Manager, Bev Purchase, was made redundant in this financial year.

The Technical Services Manager role was made part time during the year.

All staff work from home, meeting regularly in person on a weekly basis where possible, and by using video conferencing as necessary.

## **4. Financial**

The draft of VIA’s annual financial statements has been posted on the website; the accounts have not yet been independently reviewed as a resolution from the AGM is required to appoint the independent accountant.

VIA’s result for the 2023 financial year was a small loss of \$9,611

## 5. General Overview

Good numbers of vehicles, new and used, continued to be imported over the past year, despite external influences such as the after-effects of COVID and the slowing economy.

Apart from our core functions, two issues have dominated VIA's attention and activities this year:

- The implementation and adjustments of the Clean Car legislation, and
- The government's proposal to move to Euro 5 and Euro 6 standards.

## 6. Core activities

The activities of the Association can be considered in three distinct areas:

- **Current:**  
Providing technical advice and support to the industry  
Dealing with urgent industry issues as they arise such as biosecurity and COVID-19  
Lockdown responses
- **Medium term:**  
Political advocacy and consultation on proposed new legislation, to ensure that the industry is properly represented.
- **Future:** Monitoring and researching trends and changes that are likely to affect the industry.

### **Technical**

We provide the following technical services:

- Applications to NZTA for exemptions for a wide range of compliance issues
- Assistance with documentation for imported vehicles
- Liaison with NZ Transport Agency and Ministry of Transport
- Advice and assistance on Entry Certification issues
- Participation in various consultative and working groups on issues related to vehicles and road transport
- Liaison and consultation with MPI and Biosecurity NZ
- Liaising with manufacturers for technical information
- Research into international standards
- Advice on technical issues, for both new and used vehicles

## 7. Key issues

### **a. COVID-19**

VIA continued to deal with the aftermath of the COVID-19 restrictions.

### **b. Biosecurity**

MPI is undergoing yet another review of its functions.

VIA is engaged in consulting on the review, and represents the industry as required on biosecurity issues.

### **c. Emissions and fuel economy standards: the “Clean Car Programme”**

***This has been the key issue for the industry this year and will continue to affect us for the foreseeable future.***

The Clean Car Programme has two elements:

- The Clean Car Discount, with incentives and penalties applied at retail, to influence purchasers’ demand, and
- The Clean Car Standard, to be applied at time of importation, to influence the range of vehicles supplied by importers and traders.

After the Government unexpectedly implemented the incentive phase of the Clean Car Discount scheme in mid 2021, the penalty phase was introduced in early 2022. Once both penalties and incentives were implemented, it quickly became obvious the scheme would run at a loss, whereas the original intention was that it would be fiscally neutral, ie the penalties received would cover the incentives paid out. As a result, the financial parameters for the Clean Car Discount scheme had to be adjusted.

The Clean Car Standard, aimed at influencing supply, has now been implemented. This has further influenced the market, in effect doubling the Clean Car Discount (both penalties and incentives).

The chief executive continued to be a member of the Minister’s Clean Car Sector Leadership Group, meeting monthly with the Minister and senior officials. This is an important channel, enabling VIA to have direct access to the Minister on a regular basis.

VIA and its stakeholder group have been now working with NZTA and MoT officials on developing the procedure for implementation, and to improve the accuracy and comprehensiveness of the information used to calculate incentives and penalties.

VIA continues to advocate for a Fleet Management strategy, to improve the overall fleet over time, rather than just trying to control imports.

#### ***d. Euro 5 and Euro 6***

For some years, government officials have talked about implementing Euro 5 and Euro 6 standards. The formal proposal for this has now been released, and VIA has researched and prepared a substantive submission. Consultation will follow.

It is intended that used vehicles would be subject to Euro 5 standards from the beginning of 2024, with Euro 6 to follow in 2028.

VIA accepts that the standards are going to be introduced, but we have serious concerns about the methodology the government is proposing to use to calculate equivalences between the Euro and Japanese standards.

VIA's submission is the best researched and presented submission that we have ever made, and we have received favourable comments on the fact that it is science-based and proposes a solution, rather than just opposing a government initiative.

#### ***e. Electric Vehicles***

VIA continues to be involved in consulting with officials on EVs and related issues. The Minister's Clean Car Sector Leadership Group deals with these issues, such as the development of standards, the charging network, and the curriculum for training of technicians and first responders. VIA's Technical Manager Malcolm Yorston continues to work with Standards NZ's on EV charging standards.

#### ***f. Auto Stewardship New Zealand***

Automobile tyres have now been declared a "Priority Product" under the Product Stewardship provisions of the Waste Minimisation Act. This declaration requires that an accredited Product Stewardship scheme be implemented, and VIA has been involved in this development.

The reason for VIA's involvement is that levies are to be charged on every tyre imported (loose or fitted to a vehicle, new or used) and we want to ensure that the levies are fair and easily administered.

This initiative is the culmination of over 18 years work by various governments and industry groups, but it was not until the Government mandated tyres as a Priority Product that it came to fruition.

The chief executive represents the used vehicle industry as a Trustee and Director of Auto Stewardship New Zealand.

As well as tyres, it is likely that other automotive components will also be included in product stewardship over time, eg batteries, greenhouse gases and even whole vehicles.

### **8. Research, Consultations, Submissions, Committees:**

VIA continues to be involved in research, consultations and submissions on all issues affecting the used vehicle import industry. We have a policy of making a submission on all vehicle-related legislation.

In particular, we dealt with the following issues:

- Product Stewardship:
  - EV batteries
  - Tyres
  - Batteries
  - Greenhouse gases
  - Vehicles
  - Oil
- 760 MHz (liaising with MBIE and NZTA officials)
- Vehicle type approvals
- Motor Industry Training restructure (MITO)
- Entry Certification (compliance)
- “Right to Repair”
- Repair Certificates
- Researching data from JMLIT for Fuel economy standards
- Safety Ratings

## **9. Political advocacy**

VIA continues to deal with the relevant ministers, opposition spokespeople and government officials. Our policy is to ensure that all relevant ministers and spokespeople from all parties are briefed on issues that relate to the industry.

## **10. Communications & Marketing.**

### ***a. Alerts***

VIA prepares and circulates “Alerts”, which are used to advise members and the industry of key issues and actions to be taken.

### ***b. Industry media***

Continued close liaison with both Autofile and Autotalk:

- Articles
- Interviews
- Comments

### ***c. External Marketing***

The association continues to have the policy of not promoting VIA to the public. Our policy is to confine our communications activities to members and the trade, unless there are specific issues of public interest, when we give comments and interviews as required.

#### **d. Council meetings**

Formal and informal Council meetings have been well attended with a range of relevant speakers and good discussion and debate. VIA will continue to use regular Council meetings as a format for the exchange of information and opinions.

#### **e. Member surveys**

Surveys of members' opinions on various industry and political issues have proved useful in determining VIA's policy positions.

#### **g. Webinars**

VIA runs a series of webinars, open to the industry, on the second Tuesday every month. We cover current industry issues, with a presentation and Q & A session. The webinars continue to attract more participants every month.

### **12. Strategic Relationships**

We liaise with and maintain ongoing relationships with the following organisations:

- NZ Transport Agency
- Ministry of Transport
- NZ Customs Service
- Ministry of Business, Innovation and Employment
- Ministry of Primary Industries (*formerly MAF*)
- Biosecurity NZ
- Ministry of Economic Development & National Enforcement Unit
- Ministry for the Environment
- Commerce Commission
- EECA
- Motor Industry Training Organisation
- Employers & Manufacturers Association
- MTA & MIA (collaboration on common industry issues)
- ICAR NZ (collision repair standards & training)
- Port companies (logistics issues)
- IRD (liaison regarding unregistered traders)
- Justice Department
- Standards NZ
- Low Volume Vehicle Association (LVVA)

In particular, we have excellent relationships with NZT, MoT and MPI, NZ Customs, EECA and other relevant government departments and agencies, and we are involved in consultation on all new initiatives that might affect our members and the industry.

### **13. Stakeholders**

Following the restructure of the association, members have each chosen the category of membership best suits their business. We would like to record our thanks to the businesses that have been sponsors and supporters over the years:



- Armacup Maritime Services
- Autohub
- Automotive Technologies Ltd
- Autosure
- Autoterminal
- Dolphin Shipping
- Jacanna
- JEVIC
- Moana Blue
- Nichibo
- Ports of Auckland
- Provident Insurance
- Turners
- VINZ

## **15. Future**

VIA has been in existence in some form for 35 years. The recent restructure was essential to ensure that VIA is “fit for purpose” to meet the challenges of the future.

New Zealand and international Government policies and proposals mean that the industry will have a succession of difficult issues to deal with, some of them existential, eg the phasing out of Internal Combustion Engines.

VIA’s core goal is to “keep the door open for used imports into NZ”, and VIA needs to be well resourced to do so.

This will be my final annual report, as I am retiring after 20 years leading VIA

**David Vinsen**  
**Chief Executive**