DELIVERING
FOR QUEENSLAND

QFleet

Vehicle Emissions Reduction Strategy 2025–2030

for the Queensland Government motor vehicle fleet

June 2025

Queensland Government

Minister's foreword

The Queensland Government's vehicle fleet is an essential tool to support the important work our public servants do in every corner of our state. Our fleet manager QFleet provides agencies with fit-for-purpose fleet solutions for their needs, today and into the future.

The transport sector is Australia's third largest source of greenhouse gas emissions. A practical pathway to reduce pollution from vehicles will be a major contributor to achieving our target of Net Zero.

QFleet has a big role to play in this by ensuring vehicles procured for the Queensland Government have lower or no emissions, are safe, fuel efficient and offer value for taxpayer's money.

The Crisafulli Government is committed to ensuring QFleet reduces the emissions of its entire fleet whilst supporting the unique service delivery needs Queensland has as the nation's most decentralised state.

This new policy framework for QFleet is a direct result of feedback received from public servants on the frontline.

It's designed to fix the issues our workforce have raised by providing more freedom of choice in the vehicles they can use, alongside having QFleet set the right example by substantially and sustainably reducing emissions.

To support this approach, the Crisafulli Government is introducing the *QFleet Vehicle Emissions Reduction Strategy 2025-2030* (ER Strategy) which aims to further reduce tailpipe emissions across QFleet's entire fleet by 10% over the next five years.

At the same time as our emissions will be decreasing, our fleet will see annual growth of around 1.5% per year - equating to around 9% growth over the period of the 10% reduction in emissions.

That means while our fleet will be larger than ever, our emissions will be lower than ever.

Our new Strategy moves beyond simply mandating one type of vehicle for procurement. For the first time, it focuses on and will measure the outcome we want to achieve - reducing our fleet emissions.

It's a comprehensive, practical path forward, outlining how agencies can achieve emissions reductions through fleet optimisation, vehicle utilisation, making informed choices about vehicle types and fleet mix, alongside simple actions that can be taken to reduce emissions.

Thank you to our Procurement division within the Department for their hard work putting this Strategy together and to our entire QFleet team for the outstanding job they do to make sure public servants across our state can get where they need to be to deliver for Queenslanders.

The Honourable Sam O'Connor MP
Minister for Housing and Public Works
Minister for Youth

Introduction

Globally, climate change is a major issue, with the transport sector making up nearly a quarter of total emissions and having the highest reliance on fossil fuels of any industry. Road transport contributes around 75 per cent of that share; decarbonising our transport system will help reverse this trend1.

The Queensland Government's fleet is an essential resource for the delivery of government programs and the provision of services to the people of Queensland. The way we choose and use government vehicles has a direct effect on fuel consumption, greenhouse gas emissions, air quality, safety and cost.

The *QFleet Vehicle Emissions Reduction Strategy 2025–2030* (ER Strategy) is the next step in QFleet's emission reduction journey to reduce vehicle tailpipe emissions. This will be achieved in a practical and sustainable manner by encouraging agencies to adopt vehicle management policies and operational procedures to optimise the use of motor vehicles.

The ER Strategy

Focused on reducing emissions of the entire QFleet fleet

QFleet is committed to reducing the environmental impact of the government vehicle fleet and providing cost effective, fit-for-purpose fleet solutions that supports the safe delivery of essential services.

With a firm focus on reducing emissions of the entire QFleet fleet, the ER Strategy came into effect on 10 March 2025, replacing the *QFleet Electric Vehicle Transition Strategy 2023-2026* and removing the mandate to transition all eligible QFleet passenger vehicles to zero emission vehicles by 31 December 2026.

This important shift away from a mandated electric vehicle (EV) transition to an emissions reduction approach means, QFleet can now broaden its reporting scope to consider all QFleet vehicles including light commercial vehicles. The ER Strategy will mean for the first time the progress of total fleet emissions reduction is being monitored rather than just the number of EVs introduced. This expansion of scope will provide the government with a more accurate account of its progress towards net zero emission targets.

The aim of the strategy is to reduce the tailpipe emissions of the entire QFleet fleet by 10 per cent by 30 June 2030.

The ER Strategy enables QFleet to extend its range of vehicle types available to customers, offering a balanced choice of vehicles including low emission options such as EVs, hybrids and plug-in hybrids, that will meet the diverse operational requirements of agencies across the state.

This new strategy has been produced in response to significant agency feedback, particularly from public servants in regional Queensland.

This new approach aligns with the Federal Government's *New Vehicle Efficiency Standard* (NVES) for light vehicles which aims to reduce emissions from new passenger vehicles by more than 60 per cent by 2030 and roughly halve the emissions of new light commercial vehicles over the same period.

The NVES will ensure a better choice of new vehicles that are fuel-efficient, low or zero emissions vehicles that will help:

- Reduce road transport emissions
- Make it easier to charge an EV across Australia
- Increase local manufacturing and recycling
- Make EVs more affordable with reduced vehicle running costs.

1 https://www.infrastructure.gov.au/infrastructure-transport-vehicles/vehicles/new-vehicle-efficiency-standard

Strategy's objectives

The ER Strategy will:

1. Continue to support Queensland's progress toward Net Zero emissions by 2050 by reducing QFleet leased fleet emissions in a sustainable and practical manner.
2. Expand the scope for vehicle emission reduction to include all QFleet leased vehicles which will better serve the diverse service delivery needs of agencies throughout the State of Queensland.
3. Allow more time for agencies to implement the required charging infrastructure to support existing EV commitments and provide more flexibility with vehicle leases.
4. Focus on the progress of overall fleet emissions reduction, rather than the number of EVs introduced, providing the government with a more accurate account of its progress towards net zero emission targets.
5. Provide agencies with greater accountability for lowering their QFleet leased fleet emissions and increased flexibility with vehicle selection to achieve these targets.

Strategy's targets

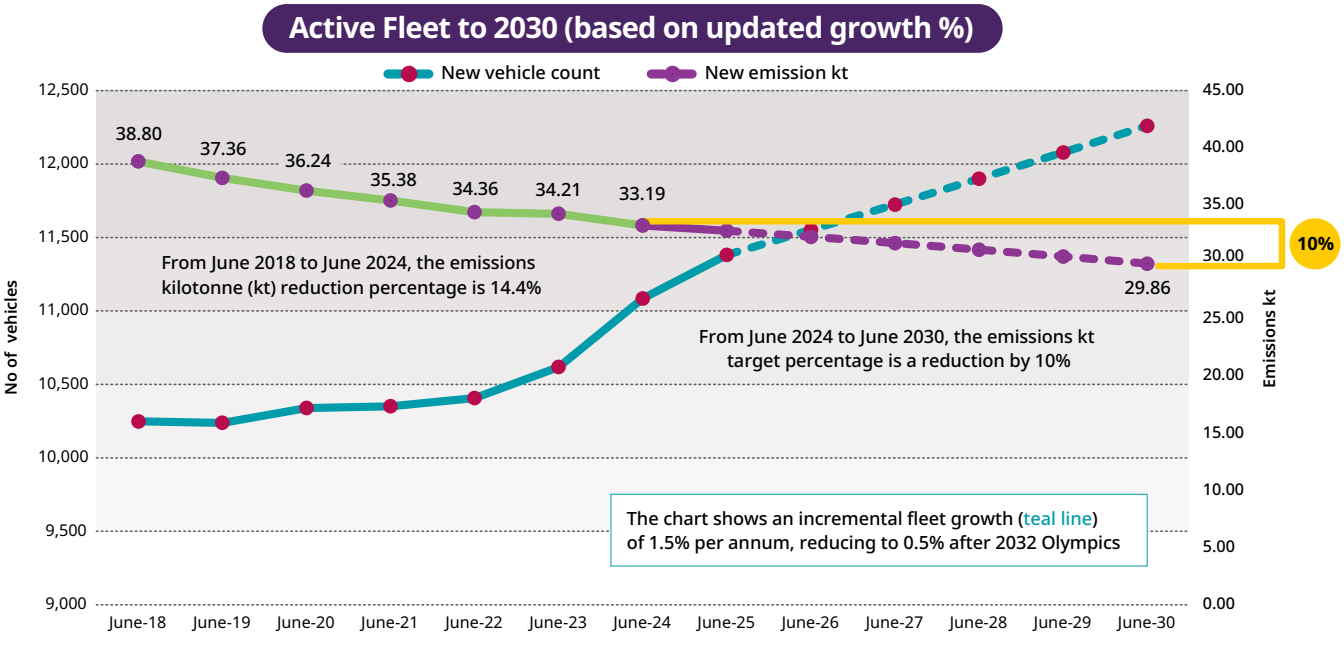
The ER Strategy's target is to achieve an overall reduction of 10 per cent (3.33kt) over a 6-year period from the baseline date by 30 June 2030.

QFleet will use tailpipe emission data as of 30 June 2024 being 33.19kt (total emissions for the QFleet fleet – all agencies) as its baseline and set agency by agency targets for emission reduction to achieve a reduced total QFleet fleet emissions down to 29.86kt by 30 June 2030.

The 10 per cent, or 3.33kt reduction target provides agencies with additional time to install the required EV charging infrastructure required to support their current and future EVs and PHEVs, while conducting annual fleet reviews to continuously optimise fleets, improve utilisation and meet service delivery needs.

In summary the target will be achieved by:

- Reducing emissions by 10 per cent (3.33kt) from the baseline date, 30 June 2024 to 30 June 2030 to achieve a reduced total of QFleet's leased fleet tailpipe emissions to: 29.86kt by 30 June 2030.
- QFleet working with agencies to set individual 2030 vehicle emission reduction targets.



• *With the anticipated fleet growth, the QFleet Fleet will achieve a 2.87KT emissions reduction by June 2030. Refer to Page 6, dot point 48 of the Cabinet Submission*

How the ER Strategy will be applied

Using tailpipe emission data as of 30 June 2024 (33.19kt), agencies are to reduce their leased vehicle emissions year on year to achieve an overall QFleet fleet reduction of 10 per cent by the end of the strategy 30 June 2030.

QFleet will set agency 2030 emission reduction targets in consultation with customer agencies. These targets will take into consideration the progress agencies have already made towards their emissions reduction under previous strategies.

To ensure progress on emissions reduction can be achieved year on year agencies should plan to at least maintain the current level of zero tailpipe emission electric vehicles in their fleet to both manage their overall emissions and make best use of the significant investment in EV charging infrastructure they have undertaken.

Agency development and implementation of effective vehicle management policies and operational procedures to optimise the use of motor vehicles, will enable agencies to make informed decisions regarding the management of their vehicle fleet.

Conducting a serious review of agency fleet size and mix, vehicle utilisation, validating vehicle requirements and planning ahead, can also help agencies achieve their emission reduction targets in a practical manner.

Vehicle selection

The *New Vehicle Efficiency Standard* (NVES) regulates the carbon dioxide emissions of new passenger and light commercial vehicles. The standard commenced on 1 January 2025, with compliance requirements to commence on 1 July 2025.

To ensure vehicles procured for the Queensland Government support emission reduction targets, QFleet will regularly update its procurement criteria to ensure value-for-money and lowest-emission-possible vehicles are available for customers to lease.

QFleet will also continue to work with its customers to understand their business vehicle needs, ensuring a suitable range of vehicles are available to satisfy these requirements. As agencies will be accountable for meeting their emission reduction targets, they will be responsible for choosing the right vehicle while actively managing the emissions of their leased fleet.

QFleet's procurement criteria will determine a list of preferred zero and low emission vehicles within each market segment offered for lease to customer agencies. In doing so, QFleet ensures there are sufficient models and configurations available in each segment to enable agencies to meet their various operational service delivery needs and emission reduction targets.

Monitoring and reporting

QFleet will calculate tailpipe emissions based on annualised lease contract distance multiplied by grams/km CO_2. Calculations exclude heavy commercial vehicles, equipment and fuel use. This strategy will measure total QFleet leased fleet emissions annually, including light commercial vehicles.

The aggregated emissions of all QFleet leased vehicles will be reported annually by QFleet through the *Queensland Government Procurement Statement 2024* [2]. The ER Strategy requires agencies to take measures to reduce their vehicle emissions as they will be accountable for lowering their fleet emissions year on year to achieve 2030 targets.

QFleet will continue to provide routine reporting to agencies on QFleet leased fleet emissions; this will be delivered through QFleet's online reporting portal (MyQFleet). The MyQFleet reporting portal will monitor and provide agencies with timely and accurate data about their QFleet leased fleet tailpipe emission reduction progress. QFleet will use agency odometer readings provided through existing manual reporting and fuel consumption processes to more accurately monitor tailpipe emissions where possible.

Lease packaging

It is important vehicle leases are established with the correct vehicle, time and distance needs as it is essential to ensure that all terms of the lease package align with the intended use, budget and operational needs of the agency fleet. Three important reasons why getting your lease package right:

1. Each lease has financial implications, maintenance responsibilities, kilometre limits and end of lease costs. Selecting the appropriate package minimises risks of unexpected expenses and enhances the vehicles efficiency and suitability for its purpose.

   For example: If you only travel 40,000kms during the lease term however, your lease package is for 80,000kms you are paying a higher lease rate than you could have if you had a 40,000km included in the lease package.

2. Managing vehicle lease utilisation is crucial for efficient fleet management, as it enables customers to optimise their resources, reduce emissions and reduce costs. By monitoring vehicle leases utilisation, customers can make informed decisions about right-sizing their fleet and ensuring costs are controlled effectively.

   Using the above example, you would be at 50 per cent utilisation when a more accurate lease package would have achieved 100 per cent utilisation.

3. QFleet calculates tailpipe emissions based on annualised lease contract distance multiplied by grams/km CO_2.

   Again, using the above example, your emissions would be calculated at the 80,000kms (as per the lease package) which is double when compared to your actual utilisation of 40,000kms!

Further guidance on managing fleet utilisation, lease packaging please refer to the *QFleet Utilisation Standard* [3]or speak with your leasing consultant.

2 https://www.publications.qld.gov.au/dataset/queensland-government-procurement-statements

3 https://www.forgov.qld.gov.au/facilities-vehicles-couriers/vehicles/qfleet/qfleet-policies-strategies

Electric vehicle charging infrastructure

Despite QFleet having more than 2,000 active EVs in its vehicle fleet, a barrier to public servants using EVs is access to sufficient charging infrastructure in buildings, particularly those with underground car parking to support customer service delivery requirements.

The Queensland Government's Accommodation Office (QGAO) is supporting the transition to hybrid and electric vehicles by funding the installation of EV charging infrastructure in Queensland Government buildings. The program focuses on providing charging infrastructure for fleet vehicles and encourages public charging opportunities in government-owned or leased buildings. The program's rollout is progressing with over 800 EV chargers installed as of January 2025.

Despite good progress by QGAO in delivering EV charging infrastructure, the reality is it takes significant time to procure, coordinate and gain all necessary approvals required to install EV charging infrastructure in buildings compared to purchasing an EV which takes just a few months on average.

The ER Strategy's timeframe for emission reduction will enable agencies to continue to get the required infrastructure installed to support existing and future Hybrid and EVs while providing more flexibility with vehicle leases.

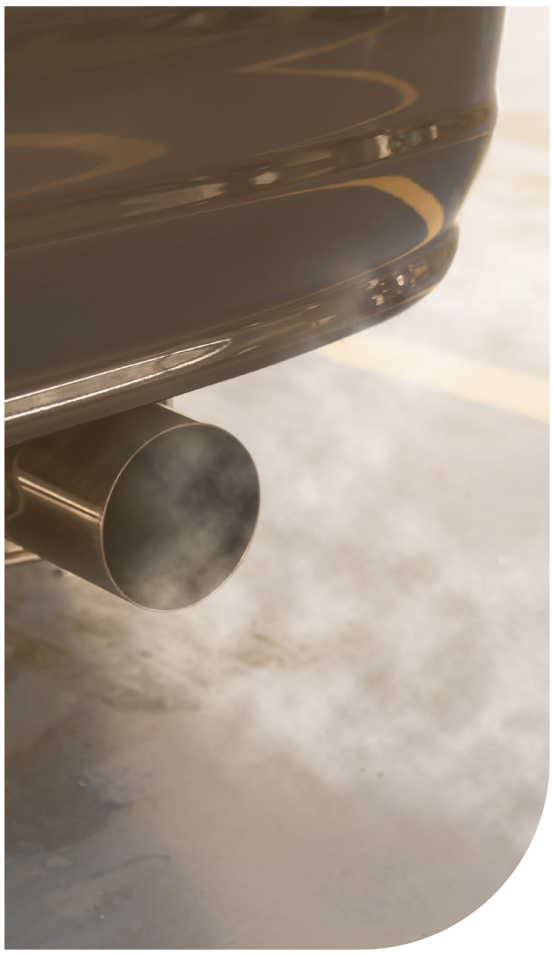
Types of vehicle emissions

Motor vehicles generate various emissions at both the manufacturing stage and during vehicle operations. These emissions negatively impact the environment, people's health, and air quality. Additionally, they play a significant role in contributing to climate change.

The two types of emissions that have a direct impact on the environment and people's health are:

1. Greenhouse gas emissions: the primary greenhouse gas emission generated by a motor vehicle is carbon dioxide, also known as CO_2. Motor vehicles also generate nitrous oxide and methane. The Australian Government's Green Vehicle Guide notes, in Australia, light vehicles[4] contribute to approximately 11 per cent of greenhouse gases.[5]
2. Air pollutant emissions: motor vehicles are one of the major causes of air pollutants; they produce four types of air pollutant emissions:
    1. Carbon monoxide (CO);
    2. Nitrogen oxides (NOx);
    3. Particulate matter (PM); and,
    4. Volatile organic compounds (VOC). These emissions affect the air quality by producing smog and they can affect people's health as they can cause cancer, heart and lung disease.

4 https://pcc.gov.au/uniform/2023/Australian-Light-Vehicle-Standards-Rules-2015-9-December-2022.pdf
5 https://www.greenvehicleguide.gov.au/pages/UnderstandingEmissions/VehicleEmissions



Understanding vehicle tailpipe emissions

On 31 May 2024, the Federal Government's *New Vehicle Efficiency Standard Act 2024* [6] and the New Vehicle Efficiency Standard (Consequential Amendments Act 2024) came into effect. This legislation enabled the introduction of a *New Vehicle Efficiency Standard* (NVES) for light vehicles which aims to reduce emissions from new passenger vehicles by more than 60 per cent by 2030 and is forecast to halve the emissions of new light commercial vehicles over the same period.

The NVES will ensure better choice of new vehicles that are fuelefficient, low or zero emissions, reduce road transport emissions, make it easier to charge an EV across Australia, increase local manufacturing and recycling, make EVs more affordable and reduce vehicle running costs.

To ensure vehicles procured for the Queensland Government support emission reduction and meet the criteria of NVES, QFleet will regularly update its procurement criteria to ensure only fit for purpose, safe, fuel efficient and value for money vehicles are procured and available to lease.

QFleet has determined a preferred maximum emissions limit for each vehicle segment offered for lease to customer agencies. QFleet calculates tailpipe emissions based on annualised lease contract distance multiplied by grams/km CO_2.

In doing so, QFleet ensures there are sufficient models and configurations available in each segment to enable agencies to meet their various operational service delivery needs.

Emissions data used is drawn from the Australian Government's *Green Vehicle Guide* [7].

6 https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/bd/bd2324a/24bd063

7 https://greenvehicleguide.gov.au/

Reducing your fleet's emissions

Thoughtful vehicle selection, responsible driving behaviour, planning and considering travel alternatives all play a part in achieving and maintaining high standards of fleet environmental performance. Success is more likely if fleet practices are supported by documented agency policy and procedures.

The recommended steps to enable fleet emissions reduction are outlined in the table below.

Conduct a fleet review 	– Annually review the fleet's size and utilisation. – Define and confirm requirements. – Only retain and replace vehicles when there is genuine need.
Better plan journeys 	– Consider the number of kilometres an internal combustion vehicle (ICE) (or fleet), travels to reduce the amount of tailpipe greenhouse gases being emitted. – Allocate low-emission pool/share vehicles and when possible, have journeys combined.
Improve the fleet's overall environmental profile 	– Improve your agency's fleet utilisation by optimising the fleet's use. – Transition your agency's eligible fleet to electric vehicles. – Replace ICE vehicles with lower emission options, where practical. – Identify EV charging infrastructure requirements, develop and implement an EV transition plan to help you with your transition.
Manage vehicle servicing and maintenance 	– Ensure vehicles are scheduled for regular servicing. Regular servicing affects the vehicle's performance and environmental impact. – Regularly capture odometer readings to inform servicing schedules and perform daily and weekly maintenance checks on your agency's fleet. – Encourage drivers to raise any safety and or maintenance issues as they arise.
Encourage eco-driving 	– Encourage good driving behaviour to reduce emissions (observing the speed limit, avoiding harsh acceleration, cornering or braking). Promoting better driver behaviour can result in safer driving, which can prolong engine life and lower the vehicle's whole-of-life cost.
Use your agency's car pool or QFleet's car share service 	– Review "in-house" vehicle pooling and sharing practices, including aggregation between offices and across agencies. – When allocating a pool vehicle, select an EV or the lowest-emission vehicle that will safely and effectively perform the required task. – Use QFleet's carshare service, where available.
Refuel compatible vehicles with E10 	– Refuel compatible ICE vehicles with E10 where practical as per the *Increasing the use of ethanol blended fuel in the Queensland Government vehicle fleet: Retail fuel purchases*[8]. – This policy supports the development of a sustainable, internationally competitive biofuels industry and help Queensland transition to a clean energy economy. – It applies to the drivers of all vehicles owned and/or operated by Queensland Government agencies.

For more information about vehicle emissions, green vehicles and the Fuel Consumption Label please view the Australian Government's *Green Vehicle Guide*.

8 https://www.epw.qld.gov.au/__data/assets/pdf_file/0016/15802/gov-e10-policy.pdf

Referenced resources

1. *New Vehicle Efficiency Standard (NVES)*
   https://www.infrastructure.gov.au/infrastructure-transport-vehicles/vehicles/new-vehicle-efficiency-standard
2. *Queensland Government Procurement Statement 2024*
   https://www.publications.qld.gov.au/dataset/queensland-government-procurement-statements
3. *QFleet Utilisation Standard for the Queensland Government motor vehicle fleet*
   https://www.forgov.qld.gov.au/agency-to-agency-services/qfleet-vehicles/qfleet/qfleet-policies-strategies
4. *Australian Light Vehicle Standards Rules 2015*
   https://pcc.gov.au/uniform/2023/Australian-Light-Vehicle-Standards-Rules-2015-9-December-2022.pdf
5. *Green Vehicle Guide, Vehicle emissions*
   https://www.greenvehicleguide.gov.au/pages/UnderstandingEmissions/VehicleEmissions
6. *New Vehicle Efficiency Standard Act 2024*
   https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/bd/bd2324a/24bd063
7. *Green Vehicle Guide*
   https://www.greenvehicleguide.gov.au/
8. *Increasing the use of ethanol blended fuel in the Queensland Government vehicle fleet: Retail fuel purchases policy*
   https://www.epw.qld.gov.au/__data/assets/pdf_file/0016/15802/gov-e10-policy.pdf

For more information

qfleet@epw.qld.gov.au

(07) 3008 2633

GPO Box 293, Brisbane Qld 4001

www.qfleet.qld.gov.au

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