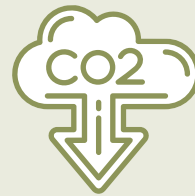


# 2025 IRU Green Compact Survey Report

The Green Compact Survey Report from the International Road Transport Union (IRU) included evidence-based data on Australia for the first time in 2025. The report compares Australia's progress in decarbonising the road transport industry with other countries around the globe, in particular the European Union.

**71%**

of Australian operators report being worried about **DECARBONISATION**



## Roadblocks to decarbonisation

Australia's road freight industry is facing similar obstacles as operators in other parts of the world:

- > **Commercial reality** of engaging with new technology,
- > **Lack of available infrastructure**, and
- > **Unwillingness of customers** to absorb higher costs associated with decarbonising.



**67%**

said **customers' unwillingness to cover additional costs** was a barrier to decarbonising.



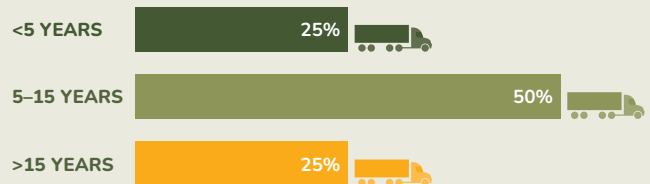
**50%**

regarded **infrastructure not being ready** to support new technology as a roadblock.

## Older fleets on average

Australian operators are running older fleets on average compared to other countries, with half saying their fleet is between **5 and 15 years old**.

**Only 25%** of Australians reported their vehicles were less than five years old, contrasting with Europe where 57% of respondents run vehicles that are five years old or less.



## Opportunities to use existing technology

Emission reduction can be achieved with existing vehicles and equipment.



**Efficient fuel management**



**Effective maintenance practices**



**Training drivers to use efficient driving techniques**

## Pathway to decarbonising the heavy vehicle freight industry in Australia

The 2025 Green Compact Survey Report demonstrated road transport operators around the globe are concerned about the challenges posed by decarbonising their businesses. This is primarily due to uncertainty about how the costs of the transition will be recovered, their customers' willingness to absorb the resulting higher operational costs, and the lack of available infrastructure.

NatRoad advises the Australian road freight industry needs a long transition time frame with realistic and achievable targets to ensure the most effective path to decarbonisation. Existing infrastructure also needs to be considered with appropriate incentives offered while governments invest in future technology.



### Governments must recognise there is no 'one size fits all' solution.

NatRoad calls on governments to introduce a variety of tools and technologies to reduce energy use and carbon intensity. Governments must incentivise the uptake of existing technologies and driver training as immediate steps to helping operators to decarbonise.

The Australian Government can support transport emissions reduction by ensuring legislated emission reduction targets are cost-effective for industry and fair for small business. This can be achieved by delivering a transition strategy that includes:

- > Establishment of a \$2.5 billion Clean Transport Fund enabling adoption of low emission vehicles on suitable freight tasks.
- > Delivery of a \$500 million low and zero emission heavy vehicle recharging and refuelling strategy (funded from the \$2.5 billion Clean Transport Fund allocation).
- > Legislation of a Low Carbon Fuel Standard to progressively reduce the CO2 impact of liquid fuels and secure the role of the internal combustion engine for regional and remote transport tasks.
- > In-depth, transparent, assessment and consultation on Euro VII emission standards, including impacts on emissions, testing in Australian conditions, manufacturing, and operational costs.

#### About NatRoad

The National Road Transport Association (NatRoad) is Australia's largest and only national association for road freight operators. Founded in 1948, today NatRoad represents thousands of members, from sole traders to national fleets, with expertise, business savings, and strong advocacy.

As a not-for-profit, member-governed organisation, NatRoad works closely with governments, regulators and industry partners to improve the operating environment of road freight operators and help members run safer, smarter and more sustainable businesses.



IRU represents road transport operators worldwide and has member associations and associate members in over 100 countries across all five continents. NatRoad joined as a member of IRU in 2023 and facilitated Australian participation in the Green Compact Survey for the first time in 2023.

