

OPEN LETTER TO AUSTRALIAN GOVERNMENTS

Powering Australia's Freight with Australian Energy

Dear Prime Minister, Premiers, and Chief Ministers,

Australia is facing a fuel crisis. We import nearly all the diesel that powers our freight network, roughly 36 billion litres of petroleum products each year, shipped through some of the most contested sea lanes in the world.

We understand the Government's decision to halve the fuel excise until June 30. It shows that you are listening to the many Australians who are hurting badly from soaring fuel costs.

Making petrol and diesel cheaper costs taxpayers \$2.55 billion for just three months, yet it fails to solve our fuel dependence. It only treats the symptom while worsening our underlying vulnerability.

The electric truck, commercial, and freight industry presents a clear answer: the solution to our fuel challenge is proven, ready, and **Australian**.

The opportunity now is to make a small number of smart decisions that set Australia up for long-term success — building onshore capability, strengthening energy security, and play to our natural advantage: low-cost renewable energy, abundant sunshine and an industry ready to put that energy to work moving goods.

From multi nationals to small business owners - we all want to see that if this happens again, Australia can weather the storm, powered by clean, green power.

Who We Are

As an island nation, our farmers are used to managing water and keeping supply chains moving in extreme conditions — distance, drought and fire. In the outback, no one else is coming so Australians get on with solving the hard problems before them. Self-reliance is a part of daily life.

Today, 1 in 3 Australian homes has rooftop solar. Households are generating their own power, storing it, and using it to drive. This is not new. It is who we are.

The next chapter is freight.

On 30 March 2026, the road freight industry came together in Canberra at the Freight Forward summit. Operators, manufacturers, charging providers, and energy companies — representing the full breadth of the sector — reached universal agreement on the path forward.

The ask is straightforward: turn a proven set of technologies into a national fuel security strategy that cuts costs for operators, reduces import dependence, and positions Australia as a leader in clean freight logistics.

This is not one voice asking for change. It is an entire industry — aligned, ready, and asking Australian governments to move with them.

The Economic Case

The numbers speak for themselves:

- **An electric truck can displace up to 45,000 litres of diesel per year** cutting fleet fuel costs by up to 70% and eliminating exposure to volatile global oil prices.
- **At scale, 50,000 electric trucks on Australian roads, that is 2.25 billion litres of diesel no longer imported each year**, worth almost \$7 billion at current prices. That is money retained in the Australian economy, flowing to local energy generators and operators rather than offshore oil producers.
- A recent [report by Mandala](#) showed a policy suite of freight decarbonisation measures could accelerate Australia to **1.5 million battery electric trucks** by 2050 and generate **\$138 billion in economic growth**.

ARENA and CEFC-funded trials have demonstrated that electric freight vehicles perform reliably in Australian conditions. The technology is no longer being proved, it is ready to be deployed. What stands in the way is fragmented policy, inconsistent regulation, and the absence of a coordinated national plan.

Australia Is Falling Behind

Australia has approximately 1,000 electric trucks on the road today. To put that in perspective: in 2025, China sold over 231,000 new energy heavy-duty trucks, reaching a market penetration rate of 29%. In the European Union, nearly 13,000 electric trucks were sold in 2025 alone, a 70% increase on the prior year, with Germany leading the way at 4,766 units. Australia is not in the same race. Without a step-change in policy, we risk being left behind by every major freight economy in the world.

The same vehicles being deployed at scale in Europe and Asia are available for purchase in Australia today. What separates us from our competitors is policy. China has purchase subsidies, trade-in schemes, and standardised battery-swap infrastructure. Germany offers direct purchase grants and is rolling out high-power charging corridors along its major freight routes. Australia has fragmented state-level trials and no national incentive scheme.

This can be turned around quickly. Electric trucks are available from multiple manufacturers in Australia now. Retrofit kits can convert existing diesel prime movers in under a week. Depot charging infrastructure can be installed in months, not years. A national incentive scheme and harmonised road access rules could put significant numbers of electric trucks on Australian roads within the first year of operation. This is not a transition that needs a decade of preparation. The building blocks exist. What is missing is the coordinated policy signal to deploy them.

What We Are Asking For

We are asking the Federal Government to act on four priorities, and State and Territory Governments to act on three.

Federal Government

1. **Launch a national electric truck incentive scheme.** Reduce the upfront cost barrier that prevents small and medium fleet operators from making the switch. The scheme should be simple to apply for, fast to assess, and open to all vehicle classes. It should prioritise the heaviest vehicles that consume the most diesel.

- 2. Harmonise road access and mass limits for zero-emission vehicles.** End the patchwork of inconsistent state-by-state regulations that limit where electric trucks can operate. A national framework should allow heavier zero-emission vehicles onto the road network on consistent terms, removing a barrier that currently fragments routes and adds cost.
- 3. Accelerate a coordinated rollout of heavy vehicle charging infrastructure.** Australia needs a coordinated plan for heavy vehicle charging infrastructure covering urban freight hubs, key corridor nodes, and a depot retrofit program so fleet operators can electrify without being stranded by infrastructure gaps. The UK has just committed £1 billion to such an initiative; Australia needs a similar level of ambition.
- 4. Give the zero-emission freight sector a seat at the table on fuel security.** Include representatives from the electric vehicle and freight industries in the development of the national fuel security plan from the outset, not as consultees after the fact, but as partners in design.

State and Territory Governments

- 1. Grant electric trucks permanent, consistent road access.** Allowing heavier zero-emission vehicles onto the full road network (including state and local roads) would allow the current fleet to deliver more freight without using more diesel. Any state-based concessions should be nationally harmonised and extend to LGA-owned roads, where the heaviest electric trucks are currently banned.
- 2. Extend state incentives to all heavy vehicle classes.** The vehicles consuming the most diesel are also the heaviest (e.g. 23 tonnes and over). It is critical that *all* electric trucks are eligible for state incentives, with the highest-impact classes prioritised first.
- 3. Reform curfews to enable overnight electric freight deliveries.** Electric trucks are dramatically quieter than diesel. Allowing overnight deliveries for zero-emission vehicles would reduce diesel demand, ease daytime congestion, and improve amenity for communities near freight corridors – all while reducing diesel demand.

A Note on Timing: Road User Charges

We recognise the long-term need for a sustainable road funding model. However, imposing a road user charge on heavy zero-emission vehicles at this stage of the transition would directly undermine the economics of switching away from diesel. We ask they not take effect until the charging infrastructure and vehicle supply chains are mature enough to absorb them.

The Cost of Inaction

Without coordinated action now, Australia locks in diesel dependence for another generation of fleet purchasing decisions for a decade or more. At current consumption, that represents tens of billions of dollars flowing offshore to fuel imports, continued exposure to supply chain disruption, and higher costs passed through to every business and household in the country.

Subsidising fossil fuel consumption provides temporary relief but does not reduce our underlying vulnerability. Investing in the infrastructure and incentives to electrify freight does.

A Partnership Offer

This letter is not simply a list of requests. We are offering a partnership.

We propose a 30-day industry/government co-design process to develop the incentive scheme and charging roadmap, drawing on the operational expertise of fleet operators, vehicle manufacturers, charging providers, and energy companies who are already investing in this transition.

The technology is ready. The industry is ready. The economic and strategic case is clear. We are asking governments to match that readiness with coordinated national action.

Signed:



IKEA Australia



Industry Voices:

“As the largest EV charging infrastructure provider for road transport in Australia, we have seen firsthand how our customers have gone from pilots to business as usual with electric freight. All of our customers have proven that it can be done at scale, and that we can build the infrastructure to match. We can invest a lot more into the industry, but we need clear signals that now is the time to scale.”

– Tim Washington, CEO, JET Charge

“Volvo Group Australia is absolutely on hand to supply and support the deployment of electric trucks into the Australian market. Many of these could be built locally at our production facility in Wacol, QLD. However, to do so we urgently require the amendment of current axle weight limits to allow access to all roads, state and local, to heavy duty electric trucks without compromising on payload. With our extensive local electric truck experience, we are ready to work with urgency to support government and industry to deliver safe, homologated and proven solutions.”

– Martin Merrick, President & CEO, Volvo Group Australia

“Australia’s fuel crisis shows why long-term resilience can’t depend on imported diesel — and why forward-looking companies must lead now, not later. IKEA has long recognised that zero-emission freight would be essential for energy security, and we’ve invested early: moving from 5% to more than 80% electric truck deliveries in just four years, deploying 110 zero-emission vehicles through our delivery partners, and investing over \$4.5 million in dedicated charging infrastructure nationwide. We’ve proven that rapid transformation is possible — and now we’re calling for a national plan that enables every operator, large and small, to join Australia’s shift to cleaner, more secure freight.”

– Mirja Viinanan, CEO & Chief Sustainability Officer, IKEA Australia

“Australia’s reliance on imported diesel is no longer just an economic issue —it’s a national resilience issue. At MyNu Energy, we see firsthand how exposed regional industries are to fuel price shocks and supply disruptions. Mobile battery and solar solutions allow businesses to generate and store their own power locally, reducing reliance on global fuel supply chains and strengthening energy security. We strongly support a coordinated national approach that accelerates the transition to clean, distributed energy across transport and infrastructure.”

— John Myler, Co-Founder, MyNu Energy

“Kempower supports the call for a national approach to electrifying freight transport. As a leading global supplier of freight charging infrastructure, we stand ready to support Australia in this transition.”

– Steve McLennan, Business Development Manager, Kempower

“Transport in Australia accounts for approximately 22% of the country’s total greenhouse gas emissions and will be the nation’s largest source of emissions by 2030. With road vehicles accounting for more than 85% of this, it is imperative that we accelerate the transition to zero emission vehicles across the national fleet. Electrification of public transport, logistics and mining fleets is accelerating, assisted by new vehicle and charging technologies, leveraged by companies that walk the talk on their commitments to sustainability.”

– Sean Stove, Division Manger Emobility, ABB Australia

“Fortescue backs the shift to electric vehicles across Australia. The faster we stop relying on imported fossil fuels, the stronger and cheaper our energy system will be. We’re already doing it in the Pilbara and seeing the benefits. Our electric excavators are saving about 1 million litres of diesel per unit a year, and by next year, we expect to save US\$100 million in fossil fuel costs. As we electrify our heavy mining equipment, including our 240-tonne haul trucks, and build the renewable energy to power it, these savings will continue to grow. Capping diesel fuel tax credits for big miners will speed this up. It will push investment into electric equipment and bring the transition forward.”

– Dino Otranto, Fortescue Metals & Operations CEO

“We’ve seen firsthand what electric freight can do. The pilots are over — now is the time to scale.”

– Ben Hutt, CEO, Janus Electric

“Australia’s fuel security depends on electrifying transport, but this only works if infrastructure can be deployed now, not in five years’ time. Battery-integrated, low-grid charging removes the biggest barrier to rollout and allows heavy vehicle electrification to move at the pace the market is demanding.”

– Lisa Marsh, CEO, eLumina Global

“Foton Mobility Distribution supports an Australian strategy to transition the Australian truck fleet to zero emissions technology by firstly tackling the “last mile” fleet of light duty trucks of which some 15,000 diesel trucks are imported to Australia each year. Light duty Electric Trucks are ready to scale right now, and we support all government actions to enable this zero-emission transition.”

– Bill Gillespie, General Manager Light Duty Vehicles, Foton Mobility Distribution

“In 2019, All Purpose Transport became the first transport company in Queensland to introduce an electric truck for big and bulky home deliveries in Brisbane. In 2026, that single vehicle has grown into a fleet of more than 40 owner-operated EVs completing over 2,200 home furniture deliveries each week - all untouched by the latest fuel shock. Combined with our investment in depot charging infrastructure, this proves the EV model works commercially, operationally and at scale for last-mile delivery.”

– Paul Kahlert, CEO, All Purpose Transport

“Australia’s fuel vulnerability is a strategic risk we can solve. Electrifying freight shifts us from imported diesel to Australian energy, strengthening resilience while reducing costs for operators. With the right policy settings, Australia can rapidly scale electric freight and turn a vulnerability into a long-term economic advantage.”

– Dan Bleakley, Co-CEO New Energy Transport

“SANY have seen firsthand what electric freight can do. The pilots are over — now is the time to scale.”

– Stanley Choi, Senior Key Account Manager, SANY Group

“Solarh2e is very pleased to be able to actively contribute to the efforts taken by the EVC to push ahead with urgency on the issues addressed during the Canberra Summit. Our support for the electric truck transition is genuine and we have both the capacity and capability to deliver on what we said we are going to do.”

– Richard Zee, CEO & Co-Founder, Solarh2e

“The evidence is clear: countries with coordinated national policy, incentives, and infrastructure lead in EV adoption. As fleet optimisation and EV transition specialists, we know that with aligned policy, procurement and infrastructure planning, Australia can electrify freight at scale, cut energy costs, reduce fuel risk, and start delivering real results now. The technology has arrived and the industry is ready to move at pace.”

– Karen Whitehouse & Melvin Worth, Co-Founders, Fleetonomics