
Low volume vehicle certification review

PHASE 2 UPDATE – QUESTIONS AND ANSWERS

November 2016

What information is included in this update?

This update contains information on the progress we're making on providing alternative pathways to Low Volume Vehicle (LVV) certification for lower-risk modifications, and on other improvements to the LVV system.

What has happened since the last update?

We've designed two new processes to tailor LVV certification to risk

A key objective of the LVV review was to streamline the certification process for lower-risk modifications, making it quicker and easier to gain certification.

To make this happen, we've been working on changes to:

- allow some imported modified vehicles to be excluded from LVV certification in New Zealand if they've already met appropriate standards overseas, and
- provide an alternative way for domestic commercial modifiers to achieve LVV certification for production-based vehicle modifications (a system we refer to as 'type certification').

We've consulted with industry and the public about the changes we proposed

We used the feedback we received during [consultation](#) with parties to the LVV certification system to help refine and improve the new processes. See below for more information about this.

We've implemented a new process for approved imported modified vehicles

From 1 November, vehicles that have had their modifications certified with European Community Whole Vehicle Type Approval (ECWVTA) can now be entry certified without undergoing LVV certification in New Zealand. This follows consideration of consultation feedback and additional discussions with entry certifiers and the Low Volume Vehicle Technical Association (LVVTA).

We're currently researching opportunities to apply the new process to modified vehicles imported from Japan and will continue to research other overseas systems for certifying modified vehicles. See below for more detailed information about how the new process will work.

We've started a pilot of the type certification process

We've developed a draft type certification process to provide an alternative way for approved commercial modifiers to achieve LVV certification for production-based vehicle modifications. We are currently piloting this process with a commercial modifier who meets our intended eligibility

criteria. The pilot is being conducted under close scrutiny to ensure vehicles modified under the pilot continue to be safe and comply with all legal requirements.

The pilot will identify any improvements needed before we make the process more widely available to modifiers. See below for more detailed information about the type certification process.

LVVTA have made the *Car Construction Manual* available online

The *Hobby Car Technical Manual* has been renamed as the *Car Construction Manual* (CCM) to better reflect its purpose, as it relates to all scratch-built and modified vehicles, not just 'hobby' cars. The CCM is a technical guide for the safe construction and modification of vehicles. While not technically an LVV standard, it is referenced in the Land Transport Rule: Vehicle Standards Compliance 2002, and therefore forms part of the legislative framework for low volume vehicles.

Early feedback we received as part of the LVV review suggested that modifiers would benefit from easier access to the CCM, which until now has been available only in hard copy from the NZ Hot Rod Association (NZHRA). The LVVTA took over ownership of the manual from the NZHRA in 2010, and became responsible for retail sales of the manual in October 2016. The LVVTA have taken this opportunity to make the manual available to purchase online.

The CCM will be able to be purchased in full, or by chapter, depending on the modifier's needs. The cost of the full manual is \$110, and individual chapters can be purchased separately for \$10.99 each. Some chapters are available free of charge. To view sample chapters or purchase a copy of the manual, visit the [Documents](#) section of the LVVTA website.

What consultation did you undertake on the new processes?

During September 2016, we distributed by email a discussion document and supporting Q&As to around 100 interested groups and individuals on our LVV review distribution list, as well as to importer representative groups and other organisations who would be impacted by the proposals. We also posted publicly-available discussion and Q&A documents on our website.

We have produced a separate document which summarises the feedback we received, and provides the Transport Agency's responses to the key points in the submissions. This document was sent out to all respondents and members of our distribution list in November, and is available in the [LVV review](#) section of our website

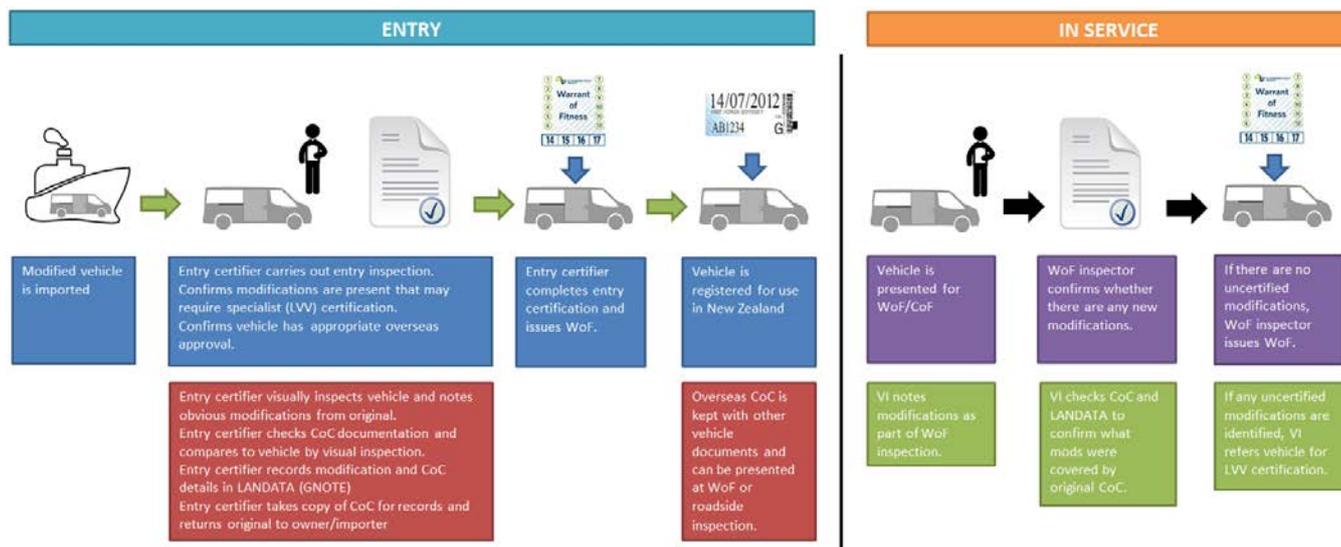
What is the new process for importing modified vehicles?

Under the new process, all imported vehicles will continue to go through the entry certification process.

If a modification is found to have been made after original manufacture and the vehicle's documentation includes appropriate confirmation from an approved overseas authority that the modifications meet overseas standards, the vehicle will no longer be required to undergo LVV certification. Details of the modifications and overseas approval documentation will be recorded, a WoF and registration will be issued and the vehicle will be able to be used on New Zealand roads. No LVV plate will need to be attached to the vehicle, and an LVV certifier will not be involved.

If a vehicle with modifications is imported from an overseas authority that has not been approved, or the importer cannot provide documentation to show that it has been approved to an acceptable standard from an approved overseas authority, the vehicle will still be required to undergo LVV certification and follow the existing process.

Entry certification process for approved modified vehicles

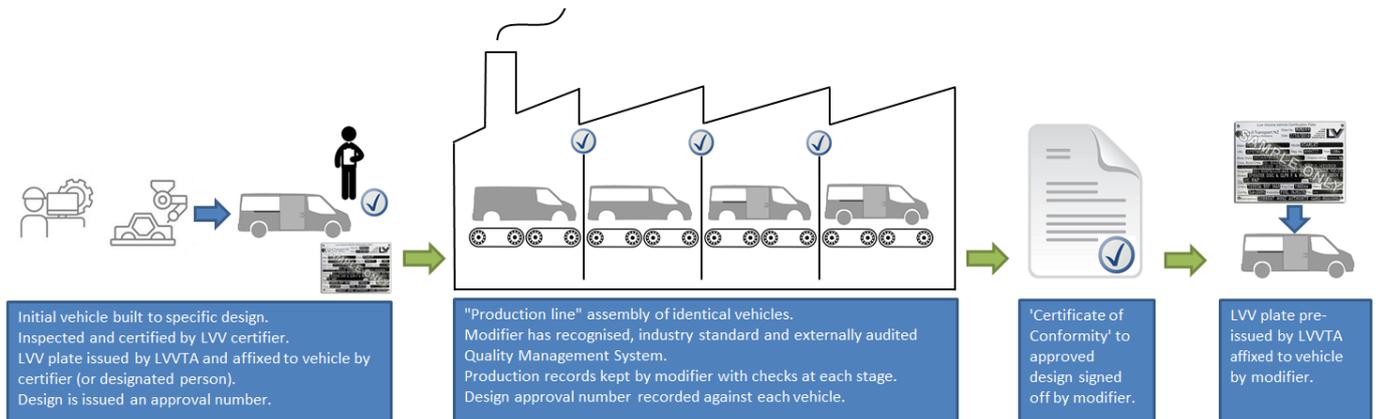


What is the type certification process being piloted?

The type certification pilot is intended to test from start to finish the proposed process that was consulted on. This includes:

1. Building a vehicle to a design that will be replicated for multiple vehicles;
2. Having an LVV certifier inspect the vehicle and confirm it meets the LVV code, and approving the design for type certification;
3. Assessing the documentation and production records used by the modifier and ensuring that these give enough information and assurance about the safe modification of the vehicles; and
4. Testing the plate pre-ordering process to ensure that plates are received in a timely manner.
5. Validating the modifier's quality assurance system

Type certification process



Will costs increase for any of the new processes?

Entry certification costs are set by external providers. The new process represents a small increase in activity required of entry certifiers, and this may be reflected in any future review of entry certification costs. However, the savings associated with not requiring LVV certification are likely to more than offset any increase in entry certification cost.

For **type certification**, there will be costs associated with setting up a Quality Management System (for organisations that don't already have one), the initial certification of the vehicle and approval of the design, insurance premiums for public liability and professional indemnity insurance, application fees for approval as a type certifier, and any costs associated with being audited by the Transport Agency. The benefits of being approved for type certification include not requiring an LVV certifier for any subsequent vehicles built to an approved design, and reduced downtime in completing vehicles and getting them to market. Modifiers will need to assess the costs of becoming approved for type certification against the savings associated with not requiring LVV certification for every type approved modification, and decide if it is the right choice for their business.

What monitoring will be done on vehicles certified under the new systems?

Imported modified vehicles will be recorded in the Transport Agency's information systems and tracked over time to monitor volumes, WoF pass rates, and any other issues that may arise. Entry certifiers, LVV certifiers, WoF inspectors and modifiers approved for type certification will continue to be audited, and the audit will cover the checks relevant to the new processes. Modifiers approved for type certification will be audited frequently in the early stages to ensure that required safety standards are being met.

What work is happening now?

Our focus has now moved to further development of the process for type certification of commercially modified vehicles. We'll assess and evaluate the results of the initial pilot, and consider the feedback received through the consultation process, to refine and finalise the process before we make it more widely available. This may involve extending the pilot to other modifiers to continue testing our design, if necessary.

We're continuing to research other overseas systems for certifying modified vehicles, and adding to the range of overseas approvals we will accept as an alternative to LVV certification in the entry certification process.

We're also continuing to monitor and take stock of the range of improvements made to date, and considering whether further changes are required to improve the functioning of the LVV system.

How do I stay informed about progress?

We'll update the Transport Agency website as the review continues. If you'd like to receive an email when new information is available, or if you have any questions or comments about the review, please email us at lvreview@nzta.govt.nz