



## COVERSHEET

<b>Minister</b>	Hon Shane Jones	<b>Portfolio</b>	Associate Energy
<b>Title of Cabinet paper</b>	Improving our diesel resilience	<b>Date to be published</b>	14 May 2025

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
April 2025	Improving our diesel resilience	Office of the Associate Minister for Energy
2 April 2025	Improving our diesel resilience ECO-25-MIN-0044 Minute	Cabinet Office
26 March 2025	Regulatory impact statement: Increasing the minimum stockholding obligation for reserve diesel	MBIE

### Information redacted

**YES / NO** (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of commercial information.



# Cabinet Economic Policy Committee

## Minute of Decision

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### Improving Diesel Resilience

**Portfolio**                      **Associate Energy**

On 2 April 2025, the Cabinet Economic Policy Committee (ECO):

- 1        **noted** that in September 2024, ECO agreed to public consultation on options to increase New Zealand's diesel reserves, and that the Associate Minister for Energy (the Associate Minister) would report back to Cabinet in early 2025 to seek policy decisions [ECO-24-MIN-0207];
- 2        **agreed** to amend the Fuel Industry Regulations 2021 to increase the diesel minimum stockholding obligation from 21 to 28 days' cover for certain fuel importers;
- 3        **agreed** that the above increase in the diesel minimum stockholding obligation will apply to any person that imports diesel and owns, operates, or has the right to draw from a bulk storage facility that stores diesel and who has 10 percent or more market share;
- 4        **noted** that the increase in the diesel minimum stockholding obligation will, in practice, apply to Z Energy, Mobil and bp;
- 5        **agreed** that the increased diesel minimum stockholding obligation for fuel importers with a market share above 10 percent will commence on 1 July 2028;
- 6        **noted** that fuel importers with a market share below 10 percent will continue to have a minimum stockholding obligation of 21 days' cover for diesel;
- 7        **noted** that the Associate Minister for Energy will review the diesel settings and consider applying the increased diesel minimum stockholding obligation to fuel importers with a market share below 10 percent;
- 8        **invited** the Associate Minister to report back to ECO by April 2026 on his review of diesel settings;
- 9        **authorised** the Associate Minister to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;

- 10 **authorised** the Associate Minister to further clarify and develop policy matters relating to the above proposals in a manner not inconsistent with the policy intent of the paper under ECO-25-SUB-0044.

Rachel Clarke  
Committee Secretary

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**Present:**

Rt Hon Winston Peters  
Hon David Seymour  
Hon Nicola Willis (Chair)  
Hon Simeon Brown  
Hon Brooke van Velden  
Hon Shane Jones  
Hon Erica Stanford  
Hon Paul Goldsmith  
Hon Louise Upston  
Hon Dr Shane Reti  
Hon Todd McClay  
Hon Tama Potaka  
Hon Chris Penk  
Hon Penny Simmonds  
Hon Andrew Hoggard  
Hon Nicola Grigg  
Hon James Meager  
Hon Scott Simpson  
Simon Court MP

**Officials present from:**

Office of the Prime Minister  
Officials Committee for ECO