



COVERSHEET

Minister	Hon Shane Jones	Portfolio	Associate Energy
Title of Cabinet paper	Amendments to Expand the Petroleum or Engine Fuel Monitoring Levy to Residual Fuel Oil	Date to be published	31 July 2025

List of documents that have been proactively released

Date	Title	Author
June 2025	Amendments to Expand the Petroleum or Engine Fuel Monitoring Levy to Residual Fuel Oil	Office of Hon Shane Jones
26 June 2025	Amendments to Expand the Petroleum or Engine Fuel Monitoring Levy to Residual Fuel Oil LEG-25-MIN-0115 Minute	Cabinet Office

Information redacted

NO

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Cabinet Legislation Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Amendments to Expand the Petroleum or Engine Fuel Monitoring Levy to Residual Fuel Oil

Portfolios **Associate Energy / Customs**

On 26 June 2025, the Cabinet Legislation Committee:

- 1 **noted** that in May 2025, the Cabinet Business Committee (CBC) agreed to establish the Petroleum or Engine Fuel Monitoring Levy (PEFM Levy) as the long-term funding source for the Trading Standards' marine fuel monitoring programme [CBC-25-MIN-0013];
- 2 **noted** that, to allow the PEFM Levy to be an equitable funding source, CBC also agreed to expand the scope of fuels subject to the PEFM levy to include residual fuel oil by 1 July 2025;
- 3 **noted** that to give effect to the decision in paragraph 2, CBC agreed to amend the Energy (Petrol, Engine Fuel, and Gas) Levy Regulations 2017 (the Regulations) and to make the necessary changes to the Excise and Excise-Equivalent Duties Table to allow the PEFM Levy to apply to residual fuel oil by 1 July 2025;
- 4 **noted** that the Energy (Petrol, Engine Fuel, and Gas) Levy Amendment Regulations 2025 and the Excise and Excise-equivalent Duties Table (Residual Fuel Oil) Amendment Order 2025 will give effect to the decisions above;
- 5 **noted** that in May 2025, CBC noted the need to waive the 28-day rule to enable levy collection from residual fuel oil by 1 July 2025 [CBC-25-MIN-0013];
- 6 **noted** that a waiver of the 28-day rule is sought:
 - 6.1 so that the Energy (Petrol, Engine Fuel, and Gas) Levy Amendment Regulations 2025 and the Excise and Excise-equivalent Duties Table (Residual Fuel Oil) Amendment Order 2025 can come into force on 1 July 2025;
 - 6.2 on the grounds that the changes are minor and industry is aware that this policy is coming;
- 7 **agreed** to waive the 28-day rule so that the Energy (Petrol, Engine Fuel, and Gas) Levy Amendment Regulations 2025 and Excise and Excise-equivalent Duties Table (Residual Fuel Oil) Amendment Order 2025 can come into force on 1 July 2025;
- 8 **noted** that if Cabinet does not approve this waiver, then these amendments cannot proceed and subsequent amendments will be required to the Regulations to apply the levy to residual fuel oil out of sequence;

9 **authorised** the submission to the Executive Council of the:

- 9.1 Energy (Petrol, Engine Fuel, and Gas) Levy Amendment Regulations 2025 [PCO 28093/4.0];
- 9.2 Excise and Excise-equivalent Duties Table (Residual Fuel Oil) Amendment Order 2025, attached under LEG-25-SUB-0115.

Tom Kelly
Committee Secretary

Present:

Hon David Seymour
Hon Chris Bishop (Chair)
Hon Louise Upston
Hon Dr Shane Reti
Hon Todd McClay
Hon Shane Jones
Hon Brooke van Velden
Hon Tama Potaka
Hon Simon Watts
Hon Casey Costello
Hon Nicole McKee
Hon Chris Penk
Hon Andrew Hoggard
Jamie Arbuckle, MP
Todd Stephenson, MP

Officials present from:

Officials Committee for LEG