

Cabinet Economic Development Committee

Minute of Decision

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Land Transport (Clean Vehicle Standard) Regulations 2022 and Phase-in of the Clean Vehicle Standard

Portfolio Transport

On 26 October 2022, the Cabinet Economic Development Committee:

Phased transition for the Clean Vehicle Standard

- noted that compliance with the Clean Vehicle Standard is critical to reducing the emissions of vehicles entering the light vehicle fleet, and that the current legislated timeline for the introduction of the Clean Vehicle Standard risks some used-vehicle importers not complying with the Standard;
- agreed to provide a phased transition for the Clean Vehicle Standard so that:
 - while charges will still be incurred from 1 January 2023, they will not be required to be paid until 1 June 2023;
 - while credits will still be accrued from 1 January 2023, the ability to transfer them will be deferred from 1 January 2023 to 1 June 2023;
 - 2.3 the requirement for a publicly available record of account holders will be deferred from 1 January 2023 to 1 June 2023, and that between 1 December 2022 and 31 May 2023, importers and the public would need to apply to the Director of Land Transport to access information from the record of account holders;
- noted that motorcycles and mopeds have inadvertently fallen within the Clean Vehicle Standard's requirements for their importers to have a CO2 account and to record the emissions of each vehicle they import, and that this is contrary to Cabinet's decisions on applicability [CAB-21-MIN-0004];
- 4 **agreed** to amend the requirement for importers to have a CO2 account and record the emissions of each vehicle they import to Type A and Type B vehicles, noting that this will exclude motorcycles and mopeds;
- **agreed** to amend the Land Transport Act 1998 to give effect to paragraphs 2 and 4 above;
- **agreed** to include an empowering provision in the Land Transport Act to enable regulations to be made that provide for the waiver or refund of charges imposed on Category 2 light vehicle importers, and for unpaid charges to be recoverable as a debt due to the Crown;

- 7 **noted** that the Minister of Transport intends to seek agreement to the above amendments being progressed under urgency, to ensure the Land Transport Amendment Bill is enacted and assented to by the end of November 2022;
- **authorised** the Minister of Transport to submit a paper direct to Cabinet seeking approval for the introduction of the Land Transport Amendment Bill;
- 9 **invited** the Minister of Transport to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above paragraphs, including any necessary consequential amendments, savings and transitional provisions;

Land Transport (Clean Vehicle Standard) Regulations 2022

- noted that on 26 January 2021 and 20 December 2021, Cabinet agreed to the administrative and operational settings required to support the implementation of the Clean Vehicle Standard, including prescribing excluded vehicles, eligibility criteria and formulas for weight adjusted targets [CAB-21-MIN-0004 and CAB-21-MIN-0553];
- noted that the Land Transport (Clean Vehicle Standard) Regulations 2022 give effect to the decisions referred to in paragraph 10 above;
- authorised the submission to the Executive Council of the Land Transport (Clean Vehicle Standard) Regulations 2022 [PCO-24763/16.0];
- noted that the Land Transport (Clean Vehicle Standard) Regulations 2022 will come into force on 1 November 2022;
- 14 **noted** that a waiver of the 28-day rule is sought
 - 14.1 so that the regulations can come into force as soon as possible;
 - on the grounds that early commencement is necessary to comply with the statutory requirements;
- agreed to waive the 28-day rule so that the regulations can come into force on 1 November 2022.

Janine Harvey
Committee Secretar

Present:

Hon David Parker (Chair)

Hon Damien O'Connor

Hon Stuart Nash

Hon Willie Jackson

Hon Michael Wood

Hon Kiri Allan

Hon Priyanca Radhakrishnan

Hon Meka Whaitiri

Hon Phil Twyford

Hon Kieran McAnulty

Rino Tirikatene MP

Dr Deborah Russell MP

Officials present from:

Office of the Prime Minister Officials Committee for ERS