



Office of Hon Judith Collins

MP for Papakura
Minister of Revenue
Minister of Energy and Resources
Minister for Ethnic Communities

ERJC1718-087 & ERJC1718-089

Dr Terrence Loomis
fvi-request-6482-964cde2e@requests.fyi.org.nz

26 SEP 2017

Dear Dr Loomis

Thank you for your emails dated 29 August 2017 requesting information under the Official Information Act 1982 (the Act).

MOIA ERJC1718-087

- a) *Policy work the government is currently doing around eliminating all types of fossil fuel exploration, production and consumption subsidies;*
- b) *Actions the government has undertaken to reduce or eliminate fossil fuel subsidies since January 2016;*
- c) *Policy work, negotiations or consultation the government is current undertaking to reduce taxpayer liability from subsidising the decommissioning of petroleum production operations;*
- d) *The Government's target date for eliminating fossil fuel exploration and production subsidies; and the target date for eliminating all consumption subsidies.*

I note you sent an identical request to the Minister for Climate Change Issues on 28 August 2017. This was transferred to me on 7 September 2017 in my capacity as Minister of Energy and Resources. Consequently, this response answers that request, also.

The New Zealand Government does not subsidise fossil fuel exploration, production or consumption. In March 2015, New Zealand voluntarily participated in an international peer review by a panel of experts working on behalf of the Asia Pacific Economic Cooperation (APEC). The peer review concluded that there are no inefficient fossil fuel subsidies that lead to wasteful consumption in New Zealand. A copy of the report can be found here: www.mbie.govt.nz/info-services/sectors-industries/energy/international-relationships/pdf-document-library/peer-review-fossil-fuel-subsidy-reforms-nz.pdf.

The Government does not subsidise the decommissioning of petroleum production operations. Decommissioning expenses are deductible against income as they are expensed. The tax policy applied to petroleum in this area is consistent with the tax policy applied to all other sectors of the economy. The cost to the Crown is in the form

of a rebate on tax and royalties that have effectively been overpaid during the operational life of the decommissioned asset.

New Zealand is part of the global movement to encourage reform of fossil fuel subsidies, and has taken a lead role in advocating for reform. It promotes transparency on the issue through the Friends of Fossil Fuel Subsidy Reform Communiqué.

Because New Zealand does not have fossil fuel subsidies, the task of undertaking policy work or setting target dates to remove them is not applicable.

I am, therefore, refusing your request under section 18(e) of the Act as the document alleged to contain the information requested does not exist.

MOIA ERJC1718-089

On 8 March 2017 the Petroleum Exploration and Production Association of New Zealand (PEPANZ) released a policy briefing entitled "Advancing New Zealand's Petroleum Sector". Among eighteen recommendations, the document called on the next Government to review fiscal policy settings, invest in further geological studies of New Zealand's petroleum basins and establish a dedicated royalties fund to allow future generations to benefit from New Zealand's mineral wealth.

Under the provisions of the Official Information Act, I would like to request the following information:

1) Emails, written communications or notes of meetings you have had with PEPANZ representatives and/or PEPANZ member companies about their policy briefing since it was released; and

2) Policy papers or Cabinet papers produced addressing specific recommendations or consultations with PEPANZ or industry representatives regarding the briefing paper.

On 1 September 2017, you confirmed that your request was for:

...the full briefing document entitled "Advancing New Zealand's Petroleum Sector" which was presented at a briefing to parliamentarians on 17 March this year and may be found on PEPANZ's website
<http://www.pepanz.com/dmsdocument/15...>

... the second part of my request is for papers/consultations that were a result of/in response to the briefing paper's recommendations.

I can confirm that there are no emails, written communications or notes of meetings with PEPANZ representatives and/or PEPANZ member companies about the policy briefing "Advancing New Zealand's Petroleum Sector" since it was released. In addition, no policy or Cabinet papers have been produced as a result of or in response to the briefing paper's recommendations.



I am, therefore, refusing your request under section 18(e) of the Act as the document alleged to contain the information requested does not exist.

You have the right under section 28(3) of the Act to ask the Ombudsman to investigate and review my decision. The relevant details can be found at: www.ombudsman.parliament.nz.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Judith Collins', with a stylized flourish at the end.

Hon Judith Collins
Minister of Energy and Resources