

Navigation Committee

05 September 2019

Agenda item number 12

Consultation: Implementation of CJEU judgment on diesel fuel used in private pleasure craft

Report by Director of Operations

Purpose

The Navigation Committee is invited to submit comments to a consultation on the Government's intention to implement the CJEU judgment requiring private pleasure craft to use white diesel for propulsion.

1. Introduction

- 1.1. This consultation outlines how the Government intends to implement the judgment by the Court of Justice of the European Union (CJEU) requiring private pleasure craft to use white diesel for propulsion. It also seeks evidence about the impact this will have on users of diesel propelled craft operating in UK inland waterways and along the coast, and the companies that supply diesel to them.
- 1.2. The responses to this consultation will help determine whether a phasing period will be required for suppliers, known as Registered Dealers in Controlled Oils (RDCOs), and users of diesel fuel to adapt to using only white diesel for propulsion of private pleasure craft and, if needed, the length of any such period.
- 1.3. This consultation is pertinent to UK users of diesel propelled craft, particularly private pleasure craft, and those involved in the supply of fuel to UK craft, in particular operators of ports, marinas and inland waterway refuelling stations.

2. Financial implications

- 2.1. In 2003, all EU Member States agreed the Energy Taxation Directive. In doing so, the UK Government agreed that its practice of allowing private pleasure craft to purchase and use red diesel in the UK to propel their craft should end by 2007.
- 2.2. In 2007, the Government published a consultation on options to bring the UK law on the use of red diesel in private pleasure craft into compliance with the Directive. Following this consultation, they decided to allow private pleasure craft users to continue to use red diesel for propulsion, subject to those users paying the difference

in duty between the red and white diesel rates (to meet the Energy Taxation Directive requirement that private pleasure craft must use diesel taxed at the white diesel rate for propulsion).

3. Responding to the consultation

- 3.1. The consultation has been open for 8 weeks with a closing date of 9 September 2019. The consultation document may be viewed at [Implementation of the Court of Justice of the European Union \(CJEU\) judgment on diesel fuel used in private pleasure craft](#)
- 3.2. It is likely that many of the navigation interests represented on the Navigation Committee have already responded to this consultation, but today's meeting is a final opportunity to help inform the Broads Authority's response.
- 3.3. Comments or enquiries may also be submitted to the HMRC lead officer by email to gary.satchell@hmrc.gov.uk, in writing to Gary Satchell, Excise & Environmental Taxes Policy Design Team, HM Revenue & Customs, Room 3/36, 100 Parliament Street, London SW1A 2BQ, or by calling 03000 585802 (Monday to Thursday only).

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[Broads Plan](#) objectives: 2.2