

# **Overseas Investment (National Interest Test and Other Matters) Amendment Bill**

Government Bill

As reported from the Finance and Expenditure Committee

## **Commentary**

### **Recommendation**

The Finance and Expenditure Committee has examined the Overseas Investment (National Interest Test and Other Matters) Amendment Bill and recommends by majority that it be passed. We recommend all amendments unanimously.

### **Introduction**

This bill would amend the Overseas Investment Act 2005. Its purpose is to reduce the regulatory burden on overseas investors, while ensuring that the Government has the tools it needs to safeguard the national interest.

The bill would not change what assets are currently screened under the Act. Instead, it focuses on more efficient screening. The bill would:

- amend the purpose statement to acknowledge that it is a privilege to own or control sensitive assets, while also recognising the benefits of investment
- retain the current tests for farm land, the fishing quota, and residential land, recognising the unique sensitivity of these assets
- introduce a new national interest pathway, with the aim of consenting lower-risk applications more quickly, while managing risk to the national interest
- make consequential changes to the screening of existing forestry under the national interest test, while retaining current screening requirements for new production or permanent forests.

### **Legislative scrutiny**

As part of our consideration of the bill, we have examined its consistency with principles of legislative quality. The Regulations Review Committee wrote to us raising

three concerns about the design of the bill. We are satisfied these matters have been addressed without requiring amendments to the bill. Refer to pages 26 to 30 of the departmental report for more information.

### **Our main proposed amendments**

We recommend two main amendments. Both relate to the new national interest test, which clause 15 of the bill would provide for by inserting sections 19 to 19D into the Act.

Proposed section 19C sets out the mandatory and non-mandatory factors for a national interest assessment. We recommend deleting new section 19C(1)(a) which, as introduced, would require the regulator to have regard to the purpose of the Act when conducting a national interest assessment. Two submitters expressed concern that, due to the multifaceted nature of the Act's purpose statement, references to it could cause confusion for the regulator and practitioners. We agree that the purpose statement is likely to be difficult to apply, given that its various limbs are designed for different aims and functions.

We also recommend deleting the words "including character and capability" from the non-mandatory factor for assessing investor risk in proposed new section 19C(2)(a). We consider the proposed requirement to consider "investor risk factors" sufficient. Removing "character and capability" as a factor would also more clearly encourage the regulator to focus on risks to the national interest. We note that the Government would be able to direct the regulator to undertake criminal checks via the Ministerial directive letter if it wanted to.

### **Minor and technical amendments**

In addition to the above amendments, we recommend several minor and technical amendments, most of which we outline below.

Minor and technical amendments are not typically discussed in bill commentaries. However, we thought there could be confusion if our commentary only explained the two main amendments above, when the version of the bill we are reporting back shows many more changes.

- We recommend amending proposed new section 19A(2) and inserting subsection (2A) to clarify the statutory assessment pathways, including that an initial risk assessment would not be required if the transaction was a transaction of national interest.
- We recommend inserting new section 19A(3) so there is a reference to the Ministerial directive letter in this section, given that clause 22 would amend section 34 to include direction on assessments under section 19A.
- Clause 8 would amend section 16 to stipulate the criteria for overseas investments in sensitive land. We recommend redrafting this provision. This change may appear major, but the intent is merely to make the provision clearer because submitters interpreted the original wording differently.

- Clause 7(3) would insert section 14(4). We recommend adding the words “Subject to subsection (2)” at the start of this new subsection. Without this amendment, section 14(4) could be interpreted as requiring consent to be granted if the national interest test is met under section 19 irrespective of whether other relevant tests have been met.
- We recommend inserting clause 18A. This clause would amend section 25D to ensure that Schedule 5 of the Act (which gives the Crown the right to acquire fresh or seawater interests) still applies if a consent is sought through the national interest test instead of the benefit test.
- We recommend inserting clause 5A to amend section 7 of the Act to correct a potential ambiguity regarding when listed limited partnerships are considered to be overseas persons.

### **New Zealand Labour Party differing view**

The Labour Party considers that the bill shifts the balance of overseas investment consent away from the principle that investment in New Zealand is a privilege, and undermines the scrutiny of applications. We consider that removal of the character test and reliance on the Ministerial directive letter puts New Zealand at risk from inappropriate foreign investment.

### **Green Party of Aotearoa New Zealand differing view**

The Green Party supports responsible, sustainable investment that serves the wellbeing of people and planet. However, the Overseas Investment (National Interest Test and Other Matters) Amendment Bill undermines the very principles that should guide overseas investment: environmental stewardship, fairness, and democratic accountability. Without such things, the prosperous Aotearoa that the Government imagines this bill will support will simply not thrive.

We strongly oppose the bill because it:

- repeals essential environmental, cultural, and public benefit tests
- weakens oversight of sensitive land, forestry, and water resources
- marginalises Māori and breaches Te Tiriti obligations
- accelerates foreign control of land and natural resources with minimal scrutiny
- prioritises speed and private profit over public interest, sustainability, and due process.

This bill weakens Aotearoa New Zealand’s overseas investment regime at a time when stronger safeguards—not fewer—are needed to protect our land, water, and people. It shifts the balance of the Act away from protecting the public interest and toward enabling private profit, particularly for large offshore investors.

Aotearoa’s land, water, and natural heritage are not commodities to be traded away. They are taonga that must be protected for current and future generations.

### **Weakening of environmental and public safeguards**

The bill repeals key tests that have historically ensured that foreign investment delivers a benefit to Aotearoa New Zealand, including the protection of biodiversity, heritage sites, and public access to sensitive land. Removing these tests risks opening ecologically and culturally significant areas to exploitation without meaningful scrutiny or the ability to impose environmental conditions.

It also repeals existing safeguards on water extraction and bottling, which currently require Ministers to consider the effects of such investments on water quality and sustainability. In doing so, the bill makes it easier for overseas entities to profit from Aotearoa's freshwater resources without regard for community wellbeing or ecological protection.

By replacing the existing benefit and investor tests with a single, simplified "national interest" test that lacks clear environmental or social criteria, the bill significantly narrows the scope of public interest considerations. The 15-day timeframe for consent decisions compounds this problem, making it impossible to properly assess complex applications involving sensitive land and water. These changes represent a fundamental erosion of the Act's integrity and accountability.

### **Centralisation of power and loss of due process**

The bill concentrates decision-making power in Ministers' hands, including the ability to grant retrospective exemptions and override normal consent processes. This undermines transparent, evidence-based regulation and risks politicising decisions that should be guided by public interest and environmental principles.

Rushed decision timeframes, limited consultation, and retrospective powers together create an investment regime that prioritises speed and investor certainty over democratic process, the protection of shared natural resources, and the genuine and pressing concerns of New Zealanders who submitted on this legislation.

### **Te Tiriti o Waitangi and Māori interests**

This bill removes mandatory screening requirements that currently help prevent the alienation of whenua Māori, wāhi tapu, and other culturally significant land. Its implications to weaken oversight of forestry and water extraction are a simple example of how the bill will result in the targeting of areas that disproportionately impact Māori communities, existing particularly in regions where foreign-owned forestry has contributed to erosion, flooding, and damage to ecosystems and livelihoods.

By excluding Māori from both the design and operation of this new regime, the bill further entrenches a pattern of Crown decision-making that sidelines tangata whenua from decisions over land, wai, and taonga. This runs contrary to Te Tiriti partnership and the principle of active protection.

### **Public and expert concern**

We heard from submitters Dame Anne Salmond and Dr Bill Rosenberg that weakening the overseas investment regime risks placing short-term private gain ahead of

long-term national wellbeing, undermining the protection of Aotearoa's natural and social capital that should sit at the heart of any genuine national interest test. Many experts and community voices have warned that the bill will open Aotearoa's most vulnerable ecosystems and landscapes to unfettered overseas exploitation. The legislative process to date has been marked by a lack of transparency and the absence of meaningful engagement in its creation with those most affected, including Māori, environmental advocates, and local communities.

## Appendix

### Committee process

The Overseas Investment (National Interest Test and Other Matters) Amendment Bill was referred to this committee on 24 June 2025. The House instructed us to report the bill back no later than 31 October 2025.

We called for submissions on the bill with a closing date of 23 July 2025. We received and considered written submissions from 3,504 interested groups and individuals. We heard oral evidence from 26 submitters.

Advice on the bill was provided by the Treasury and Land Information New Zealand. The Office of the Clerk provided advice on the bill's legislative quality. The Parliamentary Counsel Office assisted with legal drafting. The Regulations Review Committee wrote to us about the bill.

### Committee membership

Cameron Brewer (Chairperson)

Jamie Arbuckle (to 13 August 2025)

Dan Bidois

Hon Barbara Edmonds

Ryan Hamilton

Nancy Lu

Hon Dr Deborah Russell

Todd Stephenson

Chlöe Swarbrick

Rawiri Waititi

Dr David Wilson (from 13 August 2025)

Hon Dr Megan Woods

Hon Julie Anne Genter and Hon Damien O'Connor participated in our consideration of the bill.

### Related resources

The documents we received as advice and evidence are available on the Parliament website.

**Overseas Investment (National Interest Test and Other  
Matters) Amendment Bill**

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**Key to symbols used in reprinted bill**

**As reported from a select committee**

text inserted unanimously

~~text deleted unanimously~~



*Hon David Seymour*

# **Overseas Investment (National Interest Test and Other Matters) Amendment Bill**

Government Bill

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**Schedule**

17

**New Part 9 inserted into Schedule 1AA**

**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Overseas Investment (National Interest Test and Other Matters) Amendment Act **2025**.

**2 Commencement**

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- (1) This Act comes into force on a single date set by Order in Council.
- (2) If the Act has not come into force 3 months after Royal assent, it comes into force on the first day of the next calendar month.
- (3) An Order in Council made under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

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**Part 1**

**Amendments to Overseas Investment Act 2005**

**3 Principal Act**

This Part amends the Overseas Investment Act 2005.

**4 Section 3 replaced (Purpose)**

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Replace section 3 with:

**3 Purpose**

- (1) The purpose of this Act is to acknowledge that it is a privilege for overseas persons to own or control sensitive New Zealand assets by—
- (a) providing for notification or consent for any overseas investments in those assets before the investment is made; and 5
  - (b) imposing appropriate conditions on those overseas investments; and
  - (c) managing the risks to New Zealand’s national interest that are associated with overseas investment transactions, including national security and public order risks.
- (2) This Act also has the purpose of recognising the role of overseas investment in increasing economic opportunity by enabling the timely consent of less sensitive investments through an initial national interest risk assessment. 10

**5 Section 6 amended (Interpretation)**

- (1) In section 6(1), insert in their appropriate alphabetical order:
- forestry activities** means any of the following activities in respect of any trees (whether exotic or native) that are to be harvested to provide wood: 15
- (a) maintaining a crop of trees:
  - (b) harvesting a crop of trees:
  - (c) maintaining the land during the period between harvesting a crop of trees and establishing a new crop of trees: 20
  - (d) establishing a crop of trees
- initial national interest risk assessment** means the process referred to in **section 19A**
- Ministerial directive letter** means a letter referred to in section 34
- national interest assessment** means the assessment required by **section 19B** 25
- national interest test** means the test set out in **section 19**
- (2) In section 6(1), definition of **farm land**, delete “within the meaning of section 16A(9)”.
- (2A) In section 6(1), definition of **New Zealand listed issuer**, after “means a listed issuer that is incorporated in New Zealand”, insert “or, in the case of a limited partnership, registered under section 51 of the Limited Partnerships Act 2008”. 30
- (3) In section 6(1), definition of **SIB**, or **strategically important business**, after paragraph (j), insert:
- (k) a business prescribed to be a strategically important business by regulations made under section 127(1)(c) 35
- (4) Repeal section 6(2)(a)(iv).
- (5) Replace section 6(2)(b)(ii)(B) with:

(B) is residing in New Zealand with the intention of residing there indefinitely and has been residing in New Zealand for at least the immediately preceding 12 months and has been present in New Zealand for more than 183 days in the immediately preceding 12 months.

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(6) Repeal section 6(3).

**5A Section 7 amended (Who are overseas persons)**

(1) After section 7(2)(c), insert:

(ca) a limited partnership—

(i) that is a New Zealand listed issuer; and

(ii) that meets the ownership test in **subsection (3A)(a)**, or the control test in **subsection (3A)(b)**, or both; or

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(2) In section 7(2)(k), after “limited partnership registered under the Limited Partnerships Act 2008 (A)”, insert “(other than a New Zealand listed issuer)”.

(3) After section 7(3), insert:

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(3A) For the purpose of applying **subsection (2)(ca)(ii)** to a New Zealand listed issuer that is a limited partnership (A),—

(a) the **ownership test** is that an overseas person has, or 2 or more overseas persons cumulatively have, a beneficial entitlement to, or a beneficial interest in, 50% or more of A’s partnership interests (as defined in the Limited Partnerships Act 2008):

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(b) the **control test** is that—

(i) at least 1 overseas person (alone or together with its associates) has 10% or more ownership or control interest in a general partner of A; and

25

(ii) when the interests of each overseas person to which **subparagraph (i)** applies are added together, those overseas persons cumulatively have the right to—

(A) control the composition of 25% or more of a general partner of A; or

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(B) exercise or control the exercise of more than 25% of the voting power at a meeting of a general partner of A.

**6 Section 12 amended (What are overseas investments in sensitive land)**

(1) In section 12(1)(b)(ii)(A), after “subsection (2)”, insert “(if any)”.

(1A) After section 12(1)(b)(iii)(A), insert:

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(AA) A is a limited partnership that is a New Zealand listed issuer and meets the control test in **section 7(3A)(b)**:

- (2) In section 12(2)(c), after “limit is 100%”, insert “but only if A is a strategically important business”.

**7 Section 14 amended (Approach to criteria for consent)**

- (1) In section 14(1), after “Ministers”, insert “or the regulator” in each place.
- (2) In section 14(2) and (3), after “Ministers”, insert “or, if applicable, the regulator in relation to the national interest test”. 5
- (3) After section 14(3), insert:
- (4) ~~If Subject to subsection (2), if the national interest test is met under **section 19** and if the transaction is not contrary to the national interest, the regulator must grant consent.~~ 10

**8 Section 16 amended (Criteria for consent for overseas investments in sensitive land)**

- (1) Repeal section 16(1)(a) and the heading above section 16(1)(a).
- (2) In section 16(1)(b), after “if the relevant land is residential (but not otherwise sensitive) land,”, insert “the investor test is met (unless the overseas investment is exempt from this criterion under subsection (3)) and”. 15
- (3) Repeal section 16(1)(e) and the heading above section 16(1)(e).
- (4) In section 16(1)(d)(i) and (ii), replace “is” with “and the investor test are”.
- (5) In section 16(1)(e), replace “is met” with “and the investor test are met”.
- (6) After section 16(1)(e), insert: 20

*Criteria if relevant land is or includes farm land*

- (ea) if the relevant land is or includes farm land,—
- (i) ~~the relevant overseas person is, or (if that person is not an individual) each of the individuals with control of the relevant overseas person is, a New Zealand citizen, ordinarily resident in New Zealand, or intending to reside in New Zealand indefinitely and the investor test is met; or~~ 25
- (ii) the benefit to New Zealand test and the investor test are met:

- (7) In section 16(1)(f), replace “(but see section 20)” with “(but see **section 18B)**”. 30

- (8) After section 16(1)(f), insert:

*Criterion in any other cases*

- (fa) if the relevant land is not described in paragraphs (b) to (f), the national interest test is met:

- (9) In section 16(1)(g), replace “the Minister has not declined consent to the transaction (see section 20C)” with “the national interest test is met under **section 19(b) or (c)**”. 35

**8 Section 16 amended (Criteria for consent for overseas investments in sensitive land)**

(1) Replace section 16(1)(c) to (g) and the heading above section 16(1)(c) with:

*Criteria if relevant land is exclusively non-residential land that is or includes farm land*

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- (c) if the relevant land is or includes farm land (but not residential land),—
- (i) the relevant overseas person is, or (if that person is not an individual) each of the individuals with control of the relevant overseas person is, a New Zealand citizen, ordinarily resident in New Zealand, or intending to reside in New Zealand indefinitely; or
  - (ii) the benefit to New Zealand test is met:

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**Example**

The relevant land is all farm land.

*Criteria if relevant land is all residential and some or all is sensitive for some other reason*

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- (d) if the relevant land is residential land but is not described in paragraph (b),—
- (i) the commitment to reside in New Zealand test is met; or
  - (ii) the benefit to New Zealand test is met:

**Example**

The relevant land is residential land exceeding 0.4 hectares on Waiheke Island.

*Criteria if some relevant land is residential and some or all is sensitive for some other reason*

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- (e) if some relevant land is residential and some or all is sensitive for some other reason, the benefit to New Zealand test is met:

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**Example**

The relevant land is a mix of sensitive (but not residential) land and residential land. See the example in section 16B.

*Additional criteria if land includes farm land*

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- (f) if the relevant land is or includes farm land, before a transaction is entered into with the relevant overseas person, the farm land or section 12 interest has been offered for acquisition on the open market to persons who are not overseas persons as required by the regulations (but see **section 18B**):

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	<i>Additional criteria for transaction of national interest</i>	
(g)	<u>if the overseas investment in sensitive land is a transaction of national interest, the national interest test is met under <b>section 19(b) or (c)</b>:</u>	
	<b>Example</b> Residential land is being acquired by a non-NZ government investor.	5
	<i>Default criteria: for land that is sensitive but neither residential land nor farm land</i>	
(h)	<u>if the relevant land is not described in paragraphs (b) to <b>(e)</b>, the national interest test is met.</u>	
	<b>Example</b> The land is neither residential land nor farm land.	10
(2)	<u>In section 16(3), replace “if either” with “if any”.</u>	
(3)	<u>After section 16(3)(b), insert:</u>	
(c)	<b>Circumstance 3:</b>	
	(i) <u>the application for consent is under <b>subsection (1)(h)</b> (which relates to the national interest test).</u>	15
<b>9</b>	<b>Section 16A amended (Benefit to New Zealand test)</b>	
(1)	<u>In section 16A(1AA), table, repeal the item relating to special benefit test relating to forestry activities.</u>	
(1A)	<u>Repeal section 16A(1B).</u>	20
(2)	<u>Repeal section 16A(4) and the heading above section 16A(4).</u>	
(3)	<u>Repeal section 16A(4A), (5), (6), (8), and (9).</u>	
(4)	<u>In section 16A(7)(a) and (b), delete “or (4)(e)”.</u>	
<b>10</b>	<b>Section 16B amended (Conditions for consents relating to sensitive land that is residential land: benefit to New Zealand test)</b>	25
	<u>Repeal section 16B(2)(b).</u>	
<b>11</b>	<b>Section 16C amended (Conditions for consents relating to sensitive land that will be used for forestry activities)</b>	
(1)	<u>Repeal section 16C(3) and (4).</u>	
(2)	<u>In section 16C(5), delete “or (4)(e)”.</u>	30
<b>12</b>	<b>Section 17 amended (Factors for assessing benefit of overseas investments in sensitive land)</b>	
(1)	<u>Before the heading above section 17(1), insert:</u>	
(1AAA)	<u>This section applies if an application for consent for an overseas investment in sensitive land is being considered under the benefit to New Zealand test.</u>	35

(2) Repeal section 17(3).

**13 Section 18 replaced (Criteria for consent for overseas investments in significant business assets)**

Replace section 18 with:

**18 Criterion for consent for overseas investments in significant business assets** 5

The criterion for an overseas investment in significant business assets is that the national interest test is met.

**14 Section 20 renumbered and repositioned (Exemptions from farm land offer criterion)** 10

Renumber section 20 as section 18B and reposition it after section 18A.

**15 New sections 19 to 19D and cross-heading inserted**

After **section 18B** (as renumbered by **section 14**), insert:

*National interest test*

**19 National interest test** 15

The national interest test is met in respect of an overseas investment—

- (a) if, after completing an initial national interest risk assessment, the regulator considers that a national interest assessment is not required; or
- (b) if, after a national interest assessment has been completed, the application is not referred to the Minister under **section 19B(3)**; or 20
- (c) if, after consideration under **section 19D**, the Minister considers the transaction is not contrary to the national interest.

**19A Stage 1: initial national interest risk assessment**

(1) The regulator must complete an initial national interest risk assessment in the case of an application that is being considered under the national interest test to establish— 25

- (a) that the national interest test is met because a national interest assessment is not required; or
- (b) that a national interest assessment is required.

(2) ~~A transaction is a transaction of national interest, and a national interest assessment is required, if the regulator has reasonable grounds to consider that the transaction may include a risk to New Zealand's national interest.~~ 30

(2) If, after completing an initial national interest risk assessment, the regulator has reasonable grounds to consider that the transaction may include a risk to New Zealand's national interest, the transaction becomes a transaction of national interest and a national interest assessment is required. 35

(2A)	<u>However, if section 20A (which relates to transactions of national interest) already applies, <b>subsection (1)</b> does not require an initial national interest risk assessment and <b>section 19B</b> applies in accordance with <b>section 20C</b>.</u>	
(3)	<u>See section 34, which provides that a Ministerial directive letter may direct the regulator about the risks or factors that suggest that a national interest assessment is required under <b>subsection (2)</b> and that the regulator must comply with the direction.</u>	5
<b>19B Stage 2: national interest assessment by regulator</b>		
(1)	In undertaking a national interest assessment, the regulator—	
(a)	must comply with any relevant directions included in a Ministerial directive letter; and	10
(b)	must have regard to the mandatory factors in <b>section 19C(1)</b> ; and	
(c)	may have regard to 1 or more of the non-mandatory factors in <b>section 19C(2)</b> .	
(2)	The regulator cannot decline consent at this stage.	15
(3)	If the regulator has reasonable grounds to consider that the transaction may be contrary to New Zealand’s national interest, the regulator must refer the application to the Minister and <b>section 19D</b> applies.	
<b>19C Factors for national interest assessment</b>		
(1)	The <b>mandatory factors</b> for a national interest assessment are <del>all</del> <u>both</u> of the following:	20
(a)	<del>the purpose of this Act in <b>section 3</b>;</del> and	
(b)	the risk of the overseas investment transaction to the national interest, including its impact on national security or public order; and	
(c)	whether an identified risk to the national interest can be adequately managed by another regulatory regime.	25
(2)	The <b>non-mandatory factors</b> for a national interest assessment are all of the following:	
(a)	investor risk factors, <del>including character and capability;</del> and	
(b)	whether a national interest risk may be adequately managed by a condition imposed on the investment; and	30
(c)	whether a risk that is contrary to the national interest may be offset by the benefits of the transaction.	
<b>19D Stage 3: decisions under national interest test by Minister</b>		
(1)	The Minister may decline consent to a transaction of national interest if the Minister considers that the transaction is contrary to New Zealand’s national interest.	35

- (2) In making a decision under this section, the Minister—
- (a) must have regard to any relevant directions included in the Ministerial directive letter; and
  - (b) must have regard to the mandatory factors in **section 19C(1)**; and
  - (c) may have regard to 1 or more of the non-mandatory factors in **section 19C(2)**. 5
- (3) The regulator, or the person making a decision under section 24 in relation to a particular application, cannot exercise the Minister’s power to decline consent under this section.
- 16 Section 20A amended (Transactions that are transactions of national interest) 10**
- (1) Repeal the heading above section 20A(1).
- (2) After section 20A(1)(e), insert:
- Other transactions*
- (f) a transaction that requires a national interest assessment under **section 19B(3) 19A(2)**: 15
  - (g) a transaction required to be treated as a transaction of national interest by regulations made under **section 61(1)(c)**.
- (3) In section 20A(2), replace “subsection (1)” with “subsection (1)(a) to (g)”.
- 17 Section 20C replaced (Consent may be declined if transaction contrary to national interest) 20**
- Replace section 20C with:
- 20C How transactions of national interest under section 20A or 20B are dealt with 25**
- If a transaction is a transaction of national interest under section 20A or 20B,—
- (a) the regulator must undertake a national interest assessment under **section 19B**; and
  - (b) **section 19D** applies if the regulator has reasonable grounds to consider that the transaction may be contrary to New Zealand’s national interest; but 30
  - (c) **section 19D** always applies to a transaction of national interest under section 20B.
- 18 Section 25A amended (Conditions of consent)**
- (1) In section 25A(1), (2), and (3), before “relevant Minister or Ministers”, insert “regulator or”. 35
- (2) After section 25A(3), insert:

- (4) The regulator or Minister may apply conditions to manage a risk to New Zealand’s national interest only if—
- (a) a national interest assessment has been completed under **section 19B** (*see section 19C(2)(b)*); and
  - (b) the conditions are no broader than necessary to manage the identified risk. 5

**18A Section 25D amended (Automatic condition: transactions involving fresh or seawater areas)**

In section 25D(1)(c), after “the benefit to New Zealand test”, insert “or the national interest test”. 10

**19 New section 29B inserted (National interest test applications where no substantive change in ownership or control)**

After section 29A, insert:

**29B National interest test applications where no substantive change in ownership or control** 15

- (1) A person (A) may apply to be assessed as a repeat investor for the purpose of applications that are to be considered under the national interest test.
- (2) The regulator may assess A as a repeat investor if the regulator has no reasonable cause to consider that A may pose a risk to the national interest.
- (3) If a person is assessed as a repeat investor, the regulator may rely on its assessment of risk under **subsection (2)** when making a subsequent decision under **section 19B(1)(c)** about investor risk factors, but only if the regulator is satisfied that there has been no substantive change to the individual or individuals with ownership or control of the relevant overseas person since that assessment of risk was made. 20 25
- (4) Nothing in this section applies to an application for an overseas investment transaction that is an investment in a strategically important business.

**20 Section 31 amended (What regulator does)**

Repeal section 31(a).

**21 Section 32 replaced (Delegation by relevant Minister or Ministers)** 30

Replace section 32 with:

**32 Delegation of powers and functions**

*Power to delegate and implied Statutory delegation*

- (1) This ~~section~~ subsection delegates to the regulator all of the powers and functions of the relevant Minister or Ministers under this Act or the regulations (including the power of delegation) other than— 35

- (a) the powers and functions that cannot be delegated under **subsection (4)**; and
- (b) any powers and functions that the relevant Minister or Ministers have notified the regulator ~~they wish to retain or delegate under **subsection (3)** are exempted from the delegation under this subsection, or that they wish to delegate under **subsection (3)**~~, (either in whole or in part). 5
- (2) The delegation in ~~this section~~ **subsection (1)** has the effect that the regulator may exercise all of the relevant powers and functions as if the relevant Minister or Ministers had delegated those powers and functions (rather than ~~this section~~ that subsection). 10
- (3) The relevant Minister or Ministers may—
- (a) ~~delegate to the regulator or any other person any of their powers or functions under this Act or regulations (including this power of delegation); or~~
- (b) ~~retain any of their powers or functions under this Act; or~~ 15
- (c) ~~exercise their powers under both **paragraphs (a) and (b)**.~~
- Express power to delegate*
- (3) The relevant Minister or Ministers may delegate to the regulator or any other person any of their powers or functions under this Act or the regulations (including this power of delegation) other than the powers and functions that cannot be delegated under **subsection (4)**. 20
- Powers and functions that cannot be delegated*
- (4) The following cannot be delegated:
- (a) a decision under **section 19D**;
- (b) a decision under section 20B to advise an applicant that a transaction is a transaction of national interest: 25
- (c) a decision under section 88, 90, 92, 93, or 96 that a call-in transaction, an event, or the actions of an overseas person or their associate give rise, or are likely to give rise, to a risk referred to in section 81:
- (d) a decision under section 92, 93, or 96 that a risk referred to in section 81 cannot be adequately managed in another manner or that the risk is too significant to allow a transaction to be given effect to. 30

**22 Section 34 amended (Ministerial directive letter)**

After section 34(3)(a), insert:

- (aa) the risks or factors that ~~are grounds to suggest that a national interest assessment is required under **section 19A(2)**~~: 35
- (ab) the Government's preferred approach to undertaking a national interest assessment:

- (ac) the risks or factors that ~~are grounds to suggest that an application should be decided~~ referred under **section 19B(3)**;
- (ad) requirements and conditions for applications relating to transactions where the relevant land is used for forestry activities:
- 23 Section 37B amended (Time frames)** 5  
After section 37B(4), insert:
- (5) A time frame for a decision under **section 19A** (which relates to initial national interest risk assessments) must not be more than 15 working days.
- 24 Section 51A amended (Person who acquires residential land must make and provide statement)** 10  
After section 51A(4)(b), insert:
- (c) may be in digital format or part of another digital document; or  
(d) may be stored in a digital format.
- 25 Section 51C amended (Conveyancer must obtain and keep statement)** 15  
After section 51C(2), insert:
- (2A) The conveyancer may comply with this section by keeping the statement in digital form or by contracting with a third party to meet its obligations under this section.
- 25A Section 53 amended (Administrative penalty for retrospective consent)** 20
- (1) In the heading to section 53, after “consent”, insert “or exemption”.
- (2) In section 53, insert as subsection (2):
- (2) The regulator may require the applicant for a retrospective exemption to pay an administrative penalty before the exemption is granted.
- 26 Section 61 amended (Regulations)** 25
- (1) ~~After Replace section 61(1)(ba), insert: with:~~
- (c) prescribing additional classes of transactions that are transactions of national interest under this Act:
- (2) Repeal section 61(3).
- 27 Section 61D amended (Minister may grant individual exemptions)** 30  
After section 61D(1), insert:
- (1A) An exemption under subsection (1) may be granted with retrospective effect.
- (1B) A transaction may not be cancelled under section 29(1)(c) if the Minister has retrospectively exempted the transaction from the requirement for consent.

- 28 Sections 63 to 67 and 69 to 72 and cross-heading above section 63 repealed**  
Repeal sections 63 to 67 and 69 to 72 and the cross-heading above section 63.
- 29 Section 85 amended (Military or dual-use technology and critical direct supplier call-in transactions)**
- (1) Replace the heading to section 85 with “**Mandatory notification of certain call-in transactions relating to strategically important businesses**”. 5
- (2) After section 85(1)(b), insert:
- (c) a transaction that the regulations prescribe as a transaction to which this section applies.
- 30 Section 87 amended (Requirements for notification of call-in transaction)** 10
- (1) Before the heading above section 87(1), insert:
- (1AAA) The purpose of requiring a notification under section 85 or 86, or information under subsection (4) or (5) of this section, is to assess risks to New Zealand’s national security or public order.
- (2) After section 87(6), insert: 15
- (7) A notification made under section 86 may specify that the information is provided to the Crown in confidence (however, a failure to specify this does not imply that it is not provided in confidence).
- (8) In considering whether to release information acquired under section 85 or 86, or subsection (4) or (5) of this section, the Minister or the regulator, as the case may be, must consider whether the information may be withheld under section 6(a) or 9(2)(ba) of the Official Information Act 1982. 20
- 31 Section 127 amended (Regulations regarding transactions of national interest and overseas investments in SIB assets)**
- After section 127(1)(d), insert: 25
- (da) prescribing additional classes of transactions to which section 85 applies:
- 32 Schedule 1AA amended**
- In Schedule 1AA,—
- (a) insert the Part set out in the **Schedule** of this Act as the last Part; and 30
- (b) make all necessary consequential amendments.
- 32A Schedule 2 amended**
- In Schedule 2, clause 5(1)(b)(i), replace “at least 183 days” with “more than 183 days”.

**33 Schedule 4 amended**

- (1) In Schedule 4, repeal clause 3.
- (2) In Schedule 4, clause 6(1), delete “3(12) or”.

**Part 2**  
**Consequential amendments**

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Subpart 1—Amendments to principal Act

**34 Section 24 amended (Who decides application)**

Replace section 24(2) with:

- (2) However, *see* **section 32** (which relates to delegation of powers and functions).

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**35 Section 33 amended (Rules that apply to delegation under this Act or regulations)**

- (1) In section 33(1), replace “The delegation” with “A notice of delegation or retention under **section 32(3)**”.
- (2) After section 33(1)(d), insert:

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(da) in the case of a notice of retention, may specify which powers and functions are retained by the Minister under **section 32(3)(b)**:

Subpart 2—Amendments to Fisheries Act 1996

**36 Principal Act**

This subpart amends the Fisheries Act 1996.

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**37 Section 57G amended (Criteria for overseas investments in fishing quota)**

Replace section 57G(c) with:

- (c) if the overseas investment in fishing quota is a transaction of national interest, the national interest test is met under **section 19(b) or (c)** of the Overseas Investment Act 2005;

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**Schedule**  
**New Part 9 inserted into Schedule 1AA**

s 32

<b>Part 9</b>	
<b>Provisions relating to Overseas Investment (National Interest Test and Other Matters) Amendment Act 2025</b>	
<b>57</b>	<b>Interpretation in this Part</b>
(1)	In this Part, unless the context otherwise requires,— <b>commencement</b> means the date on which the Overseas Investment (National Interest Test and Other Matters) Amendment Act <b>2025</b> comes into force <b>new Act</b> means this Act as it reads immediately after commencement <b>old Act</b> means this Act as it read immediately before commencement.
(2)	Part 1 of this schedule applies when determining whether a transaction is entered into before commencement or on or after commencement ( <i>see</i> clause 1(4) and (5)).
<b>58</b>	<b>Existing transactions and applications, etc</b>
(1)	This clause applies for the purposes of applying a provision of this Act that relates to— (a) determining who are overseas persons, what are overseas investments in sensitive assets, sensitive land, and other matters in Part 1 of this Act; and (b) determining when consent is required and the criteria for consent under subpart 1 of Part 2 of this Act; and (c) the making of applications for consent and for granting consent under subpart 2 of Part 2 of this Act; and (d) granting exemptions under section 61D of this Act.
(2)	An exemption granted retrospectively cannot apply to a period before commencement.
(3)	The old Act continues to apply to applications received by the regulator, <u>and consents granted,</u> before commencement (regardless of when the transaction is or was entered into or whether it has been given effect to) and any other matters that relate to events or circumstances before commencement.

- (4) In other cases, the new Act applies (including to transactions entered into but not given effect to).

### **Legislative history**

18 June 2025  
24 June 2025

Introduction (Bill 171–1)  
First reading and referral to Finance and Expenditure Committee