

Departmental Disclosure Statement

Invest New Zealand Bill

The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by Ministry of Business, Innovation and Employment (MBIE).

The Ministry of Business, Innovation and Employment (MBIE) certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

7 May 2025

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Part One: General Policy Statement

Purpose of the Bill

The purpose of the Bill is to establish Invest New Zealand to promote increased overseas investment into New Zealand and to provide for Invest New Zealand's objective, functions, and operation.

Objective of the Bill

Overseas investment into New Zealand can drive New Zealand's economic growth. Government policies can shape the business environment, which may be conducive to increasing overseas investment into New Zealand. These policies are necessary but insufficient since the factors driving investment decisions are complex and dynamic.

The policy objective is to lift New Zealand's investment attractiveness internationally by establishing an investment promotional agency, Invest New Zealand, which will facilitate and enable increased overseas investment into New Zealand.

How the Bill meets the policy objective

A stand-alone Bill which establishes Invest New Zealand is an impactful and enduring way to increase the probability of achieving the policy objective. Having an entity that is focussed on the promotion of increased overseas investment into New Zealand can sharpen the Government's focus and provide a permissive environment for Invest New Zealand to carry out its functions.

The Bill enables Invest New Zealand, as an autonomous Crown entity, to act with a long-term view and, if directed by the responsible Minister, have regard to a government policy that relates to its functions and objectives.

Many types of investors exist with various objectives and preferences that require different Government policy responses. As such, the Bill specifies the functions and operations of Invest New Zealand at a high-level so that Invest New Zealand can proactively and dynamically engage with investors and its operating environment.

Part Two: Background Material and Policy Information

Published reviews or evaluations

2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?	NO
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Relevant international treaties

2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?	NO
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Regulatory impact analysis (RIA)

2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?	YES
<p>The Regulatory Impact Analysis (RIA) was finalised on 24 February 2025. The RIA was conducted by the Investment Policy Team, Ministry of Business, Innovation and Employment.</p> <p>The RIA Review Panel at the Ministry of Business, Innovation and Employment has reviewed the RIA <i>Establishment of Invest New Zealand</i> and have determined that the paper meets the criteria.</p> <p>Cabinet was provided with a copy of the RIA.</p> <p>The RIA is summarised below:</p> <p><i>What is the policy problem?</i></p> <p>Foreign direct investment (FDI) can be a crucial enabler for New Zealand's economic growth. But attracting FDI into New Zealand, particularly investments that are high-quality and high-impact, is complex and contested. There are different types of investors, with various objectives and preferences, that require different engagement approaches from government. All investors experience various barriers throughout their investment horizon. Foreign investors additionally face the liability of foreignness (additional costs which arise relative to local investors because they are foreign).</p> <p>The Government has diverse options to attract more foreign investment into New Zealand. Government policies can shape the business environment, in which these opportunities emerge. These are critical conditions, but not sufficient for a step change.</p> <p>The government's greater focus and deliberate, targeted, and proactive promotional actions can help to overcome asymmetries of information and investment biases that might otherwise limit foreign interest in New Zealand opportunities. Sometimes, a government endorsement is important to secure investment.</p> <p>Finally, specific opportunities, gaps, and foreign investors may be identified by various government agencies and the public. However, matching the right opportunity with the right investor is challenging. Matching is the active pursuit of a deal between opportunities and investors: finding the deal, preparing the deal, and connecting the deal between investors and investees.</p> <p><i>What is the policy objective?</i></p> <p>The policy objective is to lower foreign investors' liability of foreignness as much as possible. This will be achieved by providing a one-stop shop service for foreign investors.</p> <p>This approach is expected to sharpen the government's focus, improve cohesion and coordination with other government policies, and attract more investment supported with greater resources and scale. Lastly, this will improve the likelihood that government's resources are being used effectively.</p> <p>The RIA is available on MBIE's website: https://www.mbie.govt.nz/document-library</p>	
2.3.1. If so, did the RIA Team in the Ministry for Regulation provide an independent opinion on the quality of any of these regulatory impact statements?	NO

2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?	NO
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Extent of impact analysis available

2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?	NO
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2.5. For the policy to be given effect by this Bill, is there analysis available on:	
(a) the size of the potential costs and benefits?	NO
(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?	NO

2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:	
(a) the level of effective compliance or non-compliance with applicable obligations or standards?	NO
(b) the nature and level of regulator effort put into encouraging or securing compliance?	NO

Part Three: Testing of Legislative Content

Consistency with New Zealand's international obligations

3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?
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MBIE consulted the Ministry of Foreign Affairs and Trade (MFAT), who confirmed that the Bill is consistent with New Zealand's international obligations.
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Consistency with the government's Treaty of Waitangi obligations

3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?

MBIE's Investment Policy team did not identify any inconsistencies between the policy to be given effect by the Invest New Zealand Bill and the principles of the Treaty of Waitangi.

MBIE took steps to determine whether the policy to be given effect by the Invest New Zealand Bill is consistent with the principles of the Treaty of Waitangi. This included consulting the Ministry of Māori Development (Te Puni Kōkiri), who were generally supportive of the Bill and the establishment of Invest New Zealand. Te Puni Kōkiri also expressed concern about whether the Bill provides sufficient protections for Iwi, Hapū and Māori to be able to benefit from this proposal.

MBIE are comfortable that the operability of Invest New Zealand will be able to work to ensure that Iwi, Hapū and Māori are able to benefit from this proposal.

Consistency with the New Zealand Bill of Rights Act 1990

3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?	YES
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The Ministry of Justice is undertaking an assessment of whether the Invest New Zealand Bill is consistent with the New Zealand Bill of Rights Act 1990 and is providing advice to the Attorney-General.

Advice provided to the Attorney-General by the Ministry of Justice, or a section 7 report of the Attorney-General, is generally expected to be available on the Ministry of Justice's website upon introduction of a Bill. Such advice, or report, will be accessible on the Ministry's website at:

https://www.justice.govt.nz/justice-sector-policy/constitutional-issues-and-human-rights/the-bill-of-rights-act/advice/

Offences, penalties and court jurisdictions

3.4. Does this Bill create, amend, or remove:	
(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?	NO
(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?	NO

Privacy issues

3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?	NO
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External consultation

3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?	YES
<p>MBIE has consulted with the following agencies on the policy to be given effect by this Bill, and on the draft Bill itself: Department of the Prime Minister and Cabinet, Treasury, New Zealand Trade and Enterprise, the Parliamentary Counsel Office, the Ministry of Foreign Affairs and Trade, the Public Service Commission, the Ministry of Education, the Ministry of Health, the Ministry for Primary Industries, the Ministry for the Environment, the Department of Conservation, Housing and Urban Development, Te Arawhiti, Toitū Te Whenua Land Information New Zealand, the Ministry for Pacific Peoples, the Ministry of Defence, Te Puni Kōkiri, the Ministry of Social Development, Police, the Ministry for Regulation, Ministry of Transport, the Inland Revenue Department, the Department of Internal Affairs, the New Zealand Security Intelligence Service, the Government Communications Security Bureau, the National Cyber Security Centre, the New Zealand Intelligence Community, Statistics New Zealand, the Ministry for Women, the Ministry of Justice, and Crown Law.</p> <p>Various industry stakeholders were engaged on key aspects of the policy to be given effect by the Bill and throughout the policy development process, but not about the draft Bill itself.</p>	

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	NO
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Part Four: Significant Legislative Features

Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO
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Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	NO
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Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO
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Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	NO
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO
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Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO
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Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO
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4.8. Does this Bill create or amend any other powers to make delegated legislation?	NO
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Any other unusual provisions or features

4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?	NO
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