



## BRIEFING

### Invest New Zealand: Next steps on establishment and governance

<b>Date:</b>	6 March 2025	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	BRIEFING-REQ-0009888

Action sought		
	Action sought	Deadline
Hon Todd McClay <b>Minister for Trade and Investment</b>	<b>Agree</b> to write to proposed members inviting them to join your Ministerial Reference Group.  <b>Agree</b> to write jointly with the Minister for Economic Growth to the Chair of New Zealand Trade and Enterprise setting out how you expect the Board to support the establishment of Invest New Zealand.  <b>Forward</b> this briefing to the Minister for Economic Growth.	10 March 2025
Hon Nicola Willis <b>Minister for Economic Growth</b>	<b>Agree</b> to write jointly with the Minister for Trade and Investment to the Chair of New Zealand Trade and Enterprise setting out how you expect the Board to support the establishment of Invest New Zealand.	21 March 2025

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Michael Contaldo	Manager, Investment Policy	Confidential advice to Government	✓
Kiana Iva	Policy Advisor, Investment Policy		

The following departments/agencies have been consulted
New Zealand Trade and Enterprise

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



# BRIEFING

## Invest New Zealand: Next steps on establishment and governance

Date:	6 March 2025	Priority:	Medium
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### Purpose

To provide you with next steps for establishing Invest New Zealand, including both in the setting of the organisation's strategic direction, as well as its operational establishment (see Annex Four for a schematic representation).

Proposed next steps include inviting members to join the Ministerial Reference Group, and writing to the Chair of New Zealand Trade and Enterprise setting out how you would like them to support the establishment of Invest New Zealand.

### Recommended action

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

#### For the Minister for Trade and Investment

- a **Agree** to write to proposed members to invite them to join the Ministerial Reference Group (draft letter attached at Annex One).

*Agree / Disagree*

- b **Agree** that a draft Terms of Reference be sent to members who agree to be a part of the Ministerial Reference Group (draft attached at Annex Two).

*Agree / Disagree*

- c **Agree** to write to the Chair of the New Zealand Trade and Enterprise Board setting out arrangements for the establishment of Invest New Zealand (draft letter attached at Annex Three).

*Agree / Disagree*

- d **Forward** this briefing to the Minister for Economic Growth to seek her co-agreement to write to the NZTE Chair as a shareholding Minister.

*Agree/ Not Agree*

- e **Note** that officials will provide you with further advice on the process to appoint a Chair and Board of Directors for Invest New Zealand.

*Noted*

For the Minister of Economic Growth

- f **Agree** to write to the Chair of the New Zealand Trade and Enterprise Board setting out arrangements for the establishment of Invest New Zealand (draft letter attached at Annex Three).

*Agree / Disagree*

Hon Todd McClay  
**Minister for Trade and Investment**

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Hon Nicola Willis  
**Minister for Economic Growth**

..... / ..... / .....



Michael Contaldo  
**Manager, Investment Policy**  
LSE, MBIE

06 / 03 / 2025

## Setting up a Ministerial Reference Group

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### You have confirmed that you want a Ministerial Reference Group to support the establishment of Invest New Zealand

1. On 11 February, you met with officials to discuss governance arrangements and oversight for the establishment of Invest New Zealand, and you confirmed that you would like to progress with the idea of setting up a Ministerial Reference Group.
2. This Group would be tasked with:
  - Providing you with independent **insights and advice to help set the strategic direction for Invest New Zealand**. This will help ensure that the new organisation can be effective in terms of attracting inward investment and will consider how to take forward the functions of Invest New Zealand as enshrined in the proposed legislation – including where to most effectively allocate resource to achieve your overall objectives. This in turn could feed into an internal organisational strategy and organisational structure after July once the new entity is formally established;
  - Providing advice on the desired **skills and capabilities** of a potential Chief Executive, alongside input around appropriate objective setting that should be considered as part of their performance framework; and
  - Providing advice on how an effective **performance structure** for the organisation, including performance incentives, attracts high-calibre talent.
3. You indicated that you want the Group to be a relatively light-touch arrangement noting that potential members will have strong demands on their time and would be unlikely to want to join a formal Ministerial advisory committee, as this implies a long-term commitment. You also shared your expectation that members would not be paid. We therefore recommend that the Group should be informal, which means appointments do not need to be made via Cabinet (Appointments and Honours).
4. We additionally advise that a draft Terms of Reference be sent to members once they accept to be a part of the Group, as this will help outline expectations and provide clarity on proposed scope. It would also make clear to members that they will need to be mindful regarding conflicts of interest, managing official information requirements, and when handling confidential or sensitive information. MBIE officials can help work through these processes.
5. We recommend that MBIE supports the work of the Group through direct engagement, by acting as the informal secretariat – attending meetings, recording agreed actions and taking forward any follow-up. We suggest that a representative from NZTE also attend these meetings.
6. A draft invitation letter has been prepared for your consideration at **Annex One**. Following acceptances, officials can work with your office to set up a first meeting. A draft Terms of Reference has also been attached as **Annex Two** that can be sent to members who accept to be a part of the Group, either before or at the first meeting.

## Role of New Zealand Trade and Enterprise

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### Cabinet has confirmed that New Zealand Trade and Enterprise will support a smooth transition for Invest New Zealand

7. You have indicated that you want NZTE to primarily concentrate on its internal organisational re-focus exercise, while at the same time supporting the establishment of Invest New Zealand

by ensuring an orderly transfer of investment functions and people. This allows for a smooth transition and minimises disruption to investors and the existing deal pipeline.

8. NZTE has put in place a Senior Programme Lead to oversee the transition at an operational level – helping to ensure issues such as staffing, property and asset management, and HR requirements are sensibly managed – while all existing relationships regarding deals are maintained. We anticipate that relevant investment related staff will be transferred across from NZTE to Invest New Zealand on 1st July. We also envisage that shared services agreements for data sharing and office space will need to be developed between the two organisations to allow staff to continue to be located in domestic and overseas offices.
9. In addition to this, as a minimum we expect Invest New Zealand will need to have an operational website from 1st July, but also be able to manage triaging functions as a “one stop shop” for government on all investment related enquiries.

### **You have tasked NZTE with leading the administrative process to identify a new Chief Executive for Invest New Zealand**

10. You have agreed that NZTE lead on the administrative process to recruit a Chief Executive for the new entity. **Confidential advice to Government**  
[REDACTED]
11. We will soon seek your direction on what capabilities, skills and experience are required for the Chief Executive in order to support your vision for the new organisation and approve any short list. The Reference Group will also be able to provide thoughts and advice on this once it begins to meet. This could also include leading on interviews for any CEO candidates.
12. Legislation will not formally establish Invest New Zealand before 1st July. **Confidential advice to Government**  
[REDACTED]
13. We suggest you write to the Chair of NZTE clarifying your expectations. A draft is attached at **Annex Three**. As the Minister for Economic Growth is a joint shareholding Minister for NZTE we recommend that you give her the option to co-sign this letter.

## **Board appointments**

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### **The process to identify and appoint the Invest New Zealand Board**

14. Appointments for the new Chair and Board members will be considered by the Appointments and Honours Committee and confirmed by Cabinet.
15. As part of this you will want to ensure there is an appropriate mix of skills. The Reference Group will be able to provide advice on this. At a high level, such skills might include:
  - **International capital market experience:** an investor/fund manager who has connections with and a depth of knowledge of both New Zealand as well as international capital markets. More than one member with diverse experience working with capital will be ideal.
  - **International business development:** a person who has experience developing businesses on a global scale.
  - **Research and innovation/technology experience:** a person with a greater understanding of technology or innovation driven industries to help deliver the third



outcome for Invest New Zealand of attracting greater investment into truly innovative activities in sectors with high potential to raise productivity and drive economic growth.

- **Infrastructure:** someone with experience with developing or managing infrastructure proposals. Confidential advice to Government

- **Crown Entity establishment experience:** someone who will be familiar with the process and requirements of setting up and establishing a new organisation such as this.

16. Further details on Board membership, skills, fees and proposed approach will be provided in a separate briefing for your approval.
17. We suggest that the first few candidates be identified through a targeted search of professional directors with suitable skills to be in place by the time the organisation is established. This means that Cabinet approval will need to be sought immediately after legislation has passed in May, allowing some Members to be ready in post for 1st July.
18. Parallel to this targeted search, we will undertake a public search for the remaining Board members to be appointed in the following months. This would provide more time to identify strong directors with the necessary skillsets individually and collectively to ensure the Board can perform its functions. This option is also desirable should you wish to find an overseas professional director with the desired investment experience.

## Next steps

19. You requested officials provide you with a high-level indicative timeline of work over coming months to give you oversight of what is planned and so you can consider opportunities to publicly communicate the progress that is being made:

<b>Early March</b>	You write to Chair of the NZTE Board alongside the Minister for Economic Growth clarifying their role for establishing Invest New Zealand  You invite members to be a part of the Ministerial Reference Group and set up an initial first meeting
<b>March</b>	Recruitment planning begins to identify potential candidates for Invest New Zealand Chief Executive led by NZTE
<b>End April</b>	Budget 2025 confirms funding for Invest New Zealand
<b>End May</b>	Legislation for Invest New Zealand passed, and Budget decisions made public
<b>June</b>	Invest New Zealand Chair and minimum number of Board candidates approved by APH
<b>July</b>	Invest New Zealand Chief Executive formally appointed  Relevant NZTE staff transferred to Invest NZ
<b>Quarter three</b>	Business and organisational planning

## **Annexes**

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Annex One: Draft invitation letter to Ministerial Reference Group members

Annex Two: Draft Terms of Reference for the Ministerial Reference Group

Annex Three: Draft letter to the Chair of the Board for New Zealand Trade and Enterprise

Annex Four: Schematic representation for forward plan

# Hon Todd McClay

Minister of Agriculture  
Minister of Forestry  
Minister for Trade and Investment  
Associate Minister of Foreign Affairs



## **Invest New Zealand**

In January, the Government announced plans to create a new agency, Invest New Zealand, to catalyse a step change in our investment landscape and transform the country into a top-tier destination for high-quality international investment. I envisage it will do this by:

- Acting as a one-stop-shop for attracting foreign direct investment,
- Encouraging multinational corporations to set up operations in New Zealand,
- Maintaining a pipeline of investable opportunities,
- Onboarding Investors,
- Facilitating collaboration between multinational corporations, New Zealand businesses, and research institutions,
- Supporting existing investors, and
- Acting as a source of expertise for the government on policy and regulatory reforms needed to enable further investment.

Establishment of this organisation is a key priority for me as Minister for Trade and Investment. To help ensure that we create a genuinely impactful organisation I am inviting to you to join an informal Ministerial Reference Group that I am convening.

In particular, I would be looking for you to provide me with insights and advice to help set the strategic direction for Invest New Zealand. This will look to ensure that the new organisation can be effective in terms of attracting inward investment and will consider how to take forward the proposed functions of New Zealand as enshrined in the proposed legislation. Additionally, I would be looking for advice on the ideal skills, capabilities and experience for a Chief Executive for the new organisation. As well as views on how an effective pay performance structure, including performance indicators, attracts high-calibre talent.

I am keen to expedite a first meeting for this Group. I appreciate that you will have competing pressures and commitments so I envisage this as a light-touch arrangement subject to normal rules around transparency, accountability and conflicts of interest.

As a next step I would ask if you wish to accept this invite that you let officials in MBIE know: [Dean.Ford@mbie.govt.nz](mailto:Dean.Ford@mbie.govt.nz) Dean will provide you general background on Invest New Zealand, share a draft Terms of Reference, and agree dates for an initial meeting with me and the wider Group.

Yours sincerely,

Hon Todd McClay  
**Minister for Trade and Investment**



# Invest New Zealand -Informal Ministerial Reference Group

## Draft Terms of Reference

### Purpose

1. This Informal Ministerial Reference Group (the Group) will provide independent, non-binding insights and advice to the Minister for Trade and Investment to support strategic decision making to ensure that Invest New Zealand is a globally impactful organisation.

### Scope

2. To deliver its objectives, it is expected that Invest New Zealand will undertake a number of activities, including:
  - a. **Acting as a One-stop-shop for attracting Foreign Direct Investment (FDI)** – Increasing all forms of FDI into New Zealand by marketing New Zealand internationally as an ideal location for business and innovation.
  - b. **Encouraging Multinational Corporations (MNCs)** to set up operations in New Zealand, particularly key sectors identified by government.
  - c. **Maintaining a pipeline of investable opportunities** (excluding infrastructure) so that international investors have impactful proposals to invest in.
  - d. **Investor onboarding** by helping investors find suitable locations in New Zealand and to navigate the regulatory environment.
  - e. **Facilitating collaboration** – Encouraging partnerships between MNCs, New Zealand businesses, and research institutions.
  - f. **Supporting existing investors** – Assisting multinational companies already in New Zealand with expansions, new projects, and innovation.
  - g. **Acting as a source of expertise** – Providing insights into government around the policies needed to improve New Zealand's investment attractiveness, including by identifying and developing regulatory reforms to enable further investment.
3. Initial priorities for the Group will be to consider and advise on:
  - a. the strategic direction for Invest New Zealand and how to progress the proposed functions – including where to most effectively allocate resource to achieve outcomes. This will in turn feed into an internal business strategy and organisational structure once the new entity is formally established on 1st July 2025;
  - b. the desired skills and capabilities of a potential Chief Executive, alongside thoughts on appropriate objectives and measures that should be considered as part of their performance framework; and
  - c. how an effective performance structure for the organisation, including performance incentives that attract high-calibre talent.
4. The advice provided to the Minister for Trade and Investment will be non-binding. The Group is not obliged to put forward one singular view, in the event differences of

opinion may arise. The Minister for Trade and Investment may take into account advice provided but will retain responsibility for policy and capability recommendations to Government.

5. It is expected that as key milestones for the establishment of Invest New Zealand are considered, the Group will have had the prior opportunity to meet and review products and content. This will provide an additional level of assurance prior to progression.
6. The Minister for Trade and Investment may choose to share subsequent updates with ministerial colleagues and/or Cabinet.

### Term of appointment

7. A term of appointment will commence from the date of the appointment and will be ongoing until ended by the Minister for Trade and Investment.

### Resourcing requirements

8. As the Group is informal it is not eligible for remuneration under the Cabinet Fees Framework.

### Handling of classified information

9. The Group, after receiving advice or information from the Ministry for Business Innovation and Employment or New Zealand Trade and Enterprise, will seek agreement with the Minister for Trade and investment on an appropriate process and settings for the handling of classified information that may be required to be accessed, distributed and discussed by the Group.

### Conflicts of interest

10. Appropriate enquiries concerning conflicts of interest will be carried out, in accordance with Te Kawa Mataaho appointment guidelines, to identify any conflicts of interest that could reasonably be identified. If any conflicts of interest should arise during the term of the Ministerial Reference Group, they should be raised as soon as possible so mitigations can be put in place.

### Official Information Act 1982

11. All information held and generated by the Group will be official information for the purpose of the Official Information Act 1982 (the Act) unless the Act stipulates otherwise. This information could be requested under the Act, but the Minister for Trade and Investment will look to manage any requests and engage with the Group on them where appropriate.

# Hon Todd McClay

Minister of Agriculture  
Minister of Forestry  
Minister for Trade and Investment  
Associate Minister of Foreign Affairs



Mike O'Donnell  
Interim Chair  
New Zealand Trade and Enterprise

Dear Mike,

As you will be aware, the Government has announced its plans to set up a new inward investment attraction agency, Invest New Zealand. Establishment will be expedited through accelerated legislation alongside Budget in May, with the intention that the new entity come into effect on 1 July 2025.

To support the timeline for the establishment of Invest New Zealand, it is critical that the Board of New Zealand Trade and Enterprise gives its full support to enable a smooth transition process in order to minimise disruption to existing investment activity during this time of transition.

It is our intention that the relevant staff in NZTE currently leading on investment-related activities be transferred to the new entity as at 1st July 2025, and that related funding will be transferred from NZTE to Invest New Zealand.

Additionally, we would like you to appoint a Programme Lead who will lead management of the transition. We expect this will include ensuring appropriate processes, systems, and required back-office functions are in place. They will also need to ensure any shared services agreements are developed between NZTE and Invest New Zealand to allow staff to continue to operate from existing domestic and overseas offices.

We would also like NZTE to lead on the administrative activities that will allow for the eventual recruitment of a Chief Executive for Invest New Zealand. Minister McClay expects to be given the opportunity to consider the skills, capabilities and experience requirements for the role, as well as how any proposed performance structure, including performance incentives supports the new organisation to deliver the Government's vision for inward investment.

Minister McClay will be setting up an informal Ministerial Reference Group to provide him with advice on the strategic direction of Invest New Zealand, and he requests that a representative from NZTE attend these meetings as an observer and to provide any material the Group may need to inform decisions. The Ministry of Business, Innovation and Employment will also have an observer role at these meetings and will provide secretarial support to the Group.

Finally, we are keen to ensure that the impact on NZTE from the set-up of Invest New Zealand is minimised to allow you and the wider Board to continue to work on a refocused NZTE.

We recognise that these changes will impact a number of your staff and stakeholders, so please convey our thanks to your staff and management for NZTE's ongoing support towards driving the economic growth of New Zealand.

Yours sincerely,

Hon Todd McClay  
**Minister for Trade and Investment**

Hon Nicola Willis  
**Minister for Economic Growth**

**Annex 4: Schematic Representation**

Strategic  
Direction

Minister

Minister &  
Reference Group

Minister &  
Reference Group &  
Invest NZ Board

- *Approving skills requirements for CEO*
- *Approving Chair and Board Members*
- *Approving strategy for Invest NZ*

Operations

NZTE

1 July 2025

Invest NZ

- *Supporting CEO recruitment*
- *Transfer of staff*
- *Shared services agreement*