



COVERSHEET

Minister	Hon Erica Stanford, Hon Louise Upston	Portfolio	Immigration, Tourism and Hospitality
Title of Cabinet paper	Proposed Transit Visa waiver to support Government growth priorities	Date to be published	15 July 2025

List of documents that have been proactively released

Date	Title	Author
May 2025	Proposed Transit Visa waiver to support Government growth priorities	Office of the Minister of Immigration, Office of the Minister for Tourism and Hospitality
26 May 2025	Proposed Transit Visa waiver to support Government growth priorities CAB-25-MIN-0174 Mintue	Cabinet Office

Information redacted

YES / NO (please select)

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Some information has been withheld for the reasons of:

- Commercial Information
- National Security or Defence
- International Relations
- Confidential Advice to Government

Office of the Minister of Immigration

Office of the Minister for Tourism and Hospitality

Cabinet

Proposed Transit Visa waiver to support Government growth priorities

Proposal

- 1 This paper seeks Cabinet's agreement to add China to the list of countries whose nationals are not required to apply for a Transit Visa prior to transiting New Zealand, Commercial Information

Relation to government priorities

- 2 Growing the economy is a Government priority. The proposal would assist in developing the air connectivity necessary to boost trade and tourism flows, while ensuring New Zealand has settings that can capitalise on enhanced air routes between Asia and South America.

Executive Summary

- 3 Transit passengers are individuals travelling through Auckland International Airport to catch a connecting flight to another country, who must stay in the transit area of the terminal, and can only do so for a maximum of 24 hours. Currently Chinese nationals transiting New Zealand must apply for a Transit Visa before travelling.
- 4 Transit Visa applications cost NZD\$235, with processing completed within 3 days on average. However, Transit Visa Waiver nationals can travel on a Transit New Zealand Electronic Travel Authority (NZeTA), which costs either \$17 (mobile app) or \$23 (online), and is generally processed in under 24 hours.
- 5 Commercial Information
- 6 By removing this requirement, we can expect benefits for tourism flows through increased passenger capacity from China, our second largest international visitor market prior to COVID-19, as well as additional freight capacity for our exporters. It will also provide the opportunity to reengage with our South American visitor markets. This will support the Government's goal to double tourism exports by 2034.
- 7 MBIE immigration officials have examined the immigration risk of Chinese nationals and found that transit passengers are generally lower risk than those seeking to enter New Zealand on Visitor Visas. National security or defence

- 8 The proposed change will affect current and future immigration revenue. At current volumes, the proposal would result in a drop in revenue of between NZD\$48,000 and NZD\$50,000 per annum.

International relations

- 9 International relations
- 10 Transit Visa requirements impose costs and time on travellers. Applications cost NZD\$235 and are usually processed within three days. However, Transit Visa Waiver nationals can travel on a Transit NZeTA for \$17 or \$23, with an average processing time of below 24 hours.
- 11 Transit Visas affect the ability of Chinese nationals to easily transit through New Zealand. The potential for New Zealand to act as a 'transit hub' between Asia and South America has been raised consistently by business groups over the last decade, as a proposal that will assist in boosting tourism and business links with both China and South America.
- 12 Removing these requirements would support unlocking the potential benefits of this transit route for New Zealand, by allowing for additional air capacity for travellers and improving the economic viability of air routes between the two regions via New Zealand. It would also provide additional freight capacity for our exporters. This would support the Government's goal to double the value of tourism exports by 2034.
- 13 Commercial Information
- 14 Commercial Information

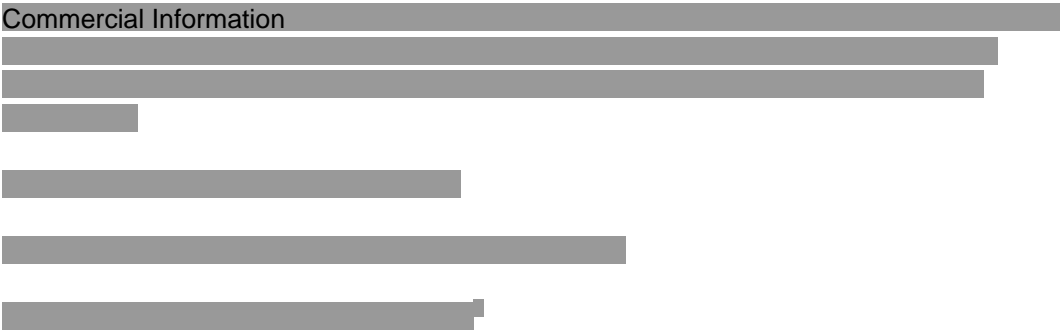
Transit Visas are designed to manage immigration risks

- 15 The objective of Transit Visa policy is to ensure that only people with genuine and lawful intentions pass through New Zealand enroute to other destinations. Transit passengers may not enter New Zealand, must remain in the transit area of the airport, and may only stay in New Zealand up to 24 hours.
- 16 The Transit Visa application process allows scrutiny of the intentions of certain foreign nationals who plan to transit New Zealand. This helps reduce the pressure associated with assessing non-meritorious spontaneous asylum claims by foreign nationals. Transit Visas also reduce the possibility of people-smuggling operations, or other criminal activities taking place on New Zealand soil.
- 17 Transit Visas are required for all people transiting through New Zealand who are from countries that are not exempt from Transit Visa or Visitor Visa requirements. Twenty-

five countries are Transit Visa waived, on top of the sixty Visitor Visa waived countries and territories.¹


- 18 **International relations**
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Unlocking the benefits and opportunities of Auckland Airport as a transit hub between China and South America

- 19 In 2020, Air New Zealand stopped its Auckland to Buenos Aires route, citing a range of factors including COVID restrictions and challenging market conditions. Since the end of New Zealand's COVID restrictions in 2022, this route has not been restarted. The withdrawal of Air New Zealand was closely followed by the withdrawal of Tourism New Zealand from the South American market in 2021.
- 20 **Commercial Information**
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- 21 Although Air New Zealand not re-entering the South American market indicates that economic conditions have affected the viability of such a route, prior air routes did not have the benefit of a Transit Visa waiver for Chinese passengers to support demand between Asia and South America.
- 22 The benefits of waiving Transit Visas for holders of a Chinese passport are expected to outweigh the risks. The benefits include:
- 22.1 Enhancing our relationship with China that will, together with other changes to immigration settings for Chinese nationals, help to support our economic growth, by boosting tourism recovery and increasing flight capacity.
- 22.2 Facilitating the travel of Chinese nationals who want to transit New Zealand on the way to South America for business, work, and leisure. This is likely to help facilitate business, and visitor flows in the long term, by enabling air routes between Asia and South America via New Zealand. This would be the first step for New Zealand to reengage with our South American visitor markets and potentially open us up to other markets.
- 23 Wider benefits of a China based airline using Auckland International Airport as a daily transit hub to and from South America include:

¹ Schedules 1 and 2 of the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010.

² **Commercial Information**



- 23.1 [Commercial Information] annual visitor spend through increased overall capacity;
- 23.2 Facilitating the travel of South American nationals who want to visit New Zealand by adding additional capacity to the South America – New Zealand route. This capacity has been limited since Air New Zealand ceased flights to South America and the route is currently only serviced directly by one South American airline; and
- 23.3 Additional freight capacity for our exporters to both China and South America [Commercial Information]
- 24 Chinese nationals were our second largest international visitor market prior to COVID-19. Visitor arrivals from China are still recovering and have only reached 61% of 2019 levels⁴ with visitor visa approvals sitting at 85%.
- 25 The Government has recently taken steps to reduce barriers to entry for Chinese nationals, including removing the requirement for overseas visitor visa applicants to have their document translations certified. In June, the Prime Minister will also announce that Chinese nationals with valid Australian visitor, work, family and student visas will be able to visit New Zealand visa free. The changes are being supported by Government investment in additional marketing activity for China through the Tourism Boost package.
- 26 Flights from China to South America via Auckland will support the continued recovery of tourism by providing additional capacity and flight options between China and Auckland. Chinese nationals who wish to enter New Zealand will continue to be required to apply for a visitor visa.
- 27 Advice provided by Tourism New Zealand has noted that additional capacity between both Asia and South America will be important for New Zealand in the future.

We are proposing that Cabinet agrees to add China to the Transit Visa waiver list [REDACTED]

[Commercial Information]

- 28 No traveller, except for Australians or New Zealand citizens, can travel to New Zealand for any purpose, including transiting, without pre-authorisation in the form of either:
- a Visa (including Transit Visas), or
 - an NZeTA (either a Transit NZeTA or a Traveller NZeTA).
- 29 Chinese nationals will need to apply for an NZeTA to transit New Zealand. NZeTA requests are processed within 72 hours (with average processing below 24 hours) and are valid for two years, which will allow repeated transit through New Zealand.
- 30 We seek Cabinet's agreement to add China to the list of countries whose nationals are not required to apply for a Transit Visa prior to transiting New Zealand [REDACTED]
- [Commercial Information]

³ [Commercial Information]

⁴ StatsNZ International travel: Visitor arrivals from China reached 248,353 for the year ended March 2025.

Comparisons with Australia and Madrid

- 31 A Transit NZeTA will bring New Zealand closer to Australian settings with respect to cost and **International relations**. For individuals that require an Australian Transit Visa (which includes all Chinese nationals transiting Australia), the visa is free of charge but has an average processing time of four days.
- 32 It will also mean that New Zealand settings broadly align with other Transit hubs that service South America. Spanish authorities agreed Transit Visa free travel for Chinese nationals travelling through Madrid in 2024, to capitalise on the route being used as a transit point into South America from China. Individuals must stay airside and cannot stay longer than 24 hours (which match New Zealand's settings for a Transit NZeTA).

Risk Analysis

- 33 **International relations**
- 34 **National security or defence**
- 35 **International relations** transit passengers as a specific group present relatively low risk, given they are required to stay 'airside' within the airport. Visa approval rates indicate that Chinese nationals on a Transit Visa are highly likely to be bona fide travellers. Transit Visa applications for Chinese nationals in 2025 have averaged around 95%, and are consistent between recent years, refer to Table 1 below.






Table 1: China nationals Transit Visa applications⁵

Year	Transit Visa applications	Approved Transit Visas	Declined Transit Visas	Approval rate (%)
2022	1589	1483	79	95.03%
2023	645	593	37	94.26%
2024	226	205	15	93.36%
2025	48	43	2	95.83%

- 36 By contrast, Visitor Visa applications for Chinese nationals have an approval rate of approximately 85%. This indicates that as a cohort, Chinese transit passengers are broadly lower risk than Chinese nationals seeking to enter New Zealand on Visitor Visas.
- 37 There are unknowns related to this proposal. It is possible that the removal of the requirements may alter the behaviour of the Chinese market, and the level of risk associated with transit passengers could increase. The large size of its population

⁵Data as of 30 April 2025.

relative to New Zealand means that small changes in behaviour may have significant impacts.

- 38 However, the overall risk level can be understood as low for this specific cohort. 





 National security or defence

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Implementation

- 42 The proposal in this paper will require changes to Immigration Regulations, Immigration Instructions, and Immigration New Zealand IT systems.
- 43 Given the recently agreed changes to Visitor Visa settings, including the introduction of visa-free travel for Chinese and Pacific Island Forum nationals travelling from Australia who hold Australian visas [CAB-25-MIN-0102 refers], this proposal can be implemented alongside changes that are already underway.
- 44 
 This aligns with the planned implementation of other Visitor Visa changes, and will allow sufficient time for ICT, appropriate communications and changes to the Immigration Regulations 2010 (which are required to be gazetted at least 28 days prior to coming into force).

Cost-of-living Implications

- 45 This proposal will not have any impacts or implications on the cost of living. It will not impact on New Zealanders' ability to maintain their standard of living including direct or indirect impacts on the cost of everyday expense.

Financial Implications

- 46 Transit Visas for Chinese nationals totalled 226 applications in 2024. Based on 2024 volumes, removing the requirement to procure a Transit Visa for this cohort would result in a small drop in revenue for INZ of between NZD\$48,000 and NZD\$50,000 per annum because of the price reduction for a transit passenger from \$235 to either \$17 or \$23 (depending on the NZeTA platform).

- 47 The NZeTA is priced on a cost recovery basis and other fiscal implications for the immigration system outside of the costs noted above are not expected. It is possible that there are costs incurred by the Crown in other portfolios (e.g. Customs) as a result of higher numbers of transit passengers at the border.

Legislative Implications

- 48 If Cabinet agrees to the proposal, the Parliamentary Counsel Office will be authorised to draft the regulation change to give effect to the decision. The Parliamentary Counsel Office have been notified and consulted on the timeframe.
- 49 Draft amendment regulations to the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010, will be prepared by the Parliamentary Counsel Office for submission to Cabinet in due course.

Impact Analysis

Regulatory Impact Statement

- 50 The Ministry for Regulation has determined that this proposal is exempt from the requirement to provide a Regulatory Impact Statement on the grounds that it has no or only minor economic, social, or environmental impacts.

Climate Implications of Policy Assessment

- 51 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this policy proposal, as the threshold for significance is not met.

Population Implications

- 52 There are no identified impacts on population groups.

Human Rights

- 53 The proposals in this paper do not raise issues of consistency under the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993.

Consultation

- 54 Relevant portfolio Ministers and coalition partners were consulted.

Communications

- 55 The Prime Minister will announce the proposed change either just before or during his upcoming trip to China in June 2025. This change may be announced alongside other immigration system changes designed to boost the return of the Chinese tourists to New Zealand or separately at a time that best highlights New Zealand's potential as a transit hub.

Proactive Release

- 56 We intend to release this Cabinet paper proactively in due course, after announcements have been made.

Recommendations

57 The Minister of Immigration and Minister for Tourism and Hospitality recommend that the Committee:

- 1 **Commercial Information**
- 2 **Commercial Information**
- 3 **note** that the utilisation of Auckland International Airport as a transit hub from China to and from South America is expected to have benefits for New Zealand's trade and tourism flows including greater capacity and connectivity, increased visitor arrivals, and improved air cargo volumes;
- 4 **note** that officials have assessed that the benefits of removing the Transit Visa requirements outweigh the risks;
- 5 **agree** to remove the Transit Visa requirements for China nationals and add China to the Transit Visa waiver list in the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010 **Commercial Information**
- 6 **note** that Chinese nationals will still require an NZeTA to transit New Zealand;
- 7 **note** that recommendation 6 will require change to the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010;
- 8 **note** that implementation of the transit visa waiver for Chinese nationals will occur in line with other scheduled changes to visa settings, **Confidential advice to Government**
- 9 **invite** the Minister of Immigration to issue drafting instructions to the Parliamentary Counsel Office giving effect to the decisions in this paper **Commercial Information**
- 10 **note** that the Minister of Immigration can issue a special direction under Section 86 (4) of the Immigration Act to give legal effect to the decisions in this paper once necessary operational and technical changes have been completed;
- 11 **agree** for the Minister of Immigration to make decisions, consistent with the proposals in these recommendations, on any issues which arise during the drafting process; and
- 12 **Commercial Information**

Hon Erica Stanford

Minister of Immigration

Hon Louise Upston

Minister for Tourism and Hospitality