



## COVERSHEET

<b>Minister</b>	Hon Todd McClay	<b>Portfolio</b>	Trade and Investment
<b>Title of Cabinet paper</b>	Invest New Zealand Bill – Approval for Introduction	<b>Date to be published</b>	15 August 2025

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
8 May 2025	Invest New Zealand Bill – Approval for Introduction	Office of the Minister for Science, Innovation and Technology
15 May 2025	Invest New Zealand Bill – Approval for Introduction LEG-25-MIN-0086 Minute	Cabinet Office

### Information redacted

**YES**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of Confidentiality.

**[In Confidence]**

Office of the Minister for Trade and Investment

Cabinet Legislation Committee

## **Invest New Zealand Bill: Approval for Introduction**

### **Proposal**

- 1 This paper seeks approval for the introduction of the Invest New Zealand Bill (the Bill). Introducing the Bill is item three on the Coalition Government's action plan for the second quarter of 2025. The Bill is attached as Annex One to this paper.

### **Policy**

*Cabinet has previously made decisions on what Invest New Zealand will be*

- 2 On 18 November 2024 Cabinet (CAB-24-MIN-0445 and ECO-24-MIN-0242):
  - 2.1 Agreed to progress work to establish an investment attraction agency, Invest New Zealand and for the Minister for Science, Innovation & Technology to report back to ECO with options in the first quarter of 2025;
- 3 On 16 December 2024 Cabinet (CAB-24-MIN-0504.02 and ECO-24-MIN-0302):
  - 3.1 Agreed that Invest New Zealand be established with a mandate to act as a one-stop-shop for foreign direct investment into New Zealand, but that will exclude public infrastructure investment from its remit;
  - 3.2 Agreed that Invest New Zealand's outcomes should be focussed on attracting:
    - 3.2.1 Greater investment into truly innovative activities in both "traditional" sectors as well as sectors with high potential to raise productivity and drive economic growth;
    - 3.2.2 Greater research and development (R&D) investment and innovative activity in New Zealand by multi-national companies;
    - 3.2.3 More skilled professions to New Zealand who will help foster innovation, raise domestic capabilities and improve international connections;
- 4 On 10 March 2025 Cabinet (CAB-25-MIN-0061 and ECO-25-MIN-0016):
  - 4.1 Agreed to establish Invest New Zealand as an autonomous Crown entity;

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- 4.2 Agreed that the overall goal of Invest New Zealand will be to increase all forms of foreign direct investment into New Zealand, subject to the Overseas Investment Act 2005 and guided by priorities set by Cabinet;
- 4.3 Agreed that the functions to be enshrined in legislation are the need for Invest New Zealand to be:
- 4.3.1 Knowledgeable about the offshore investment community;
  - 4.3.2 Knowledgeable on New Zealand's investment opportunities and related agencies;
  - 4.3.3 Able to work to connect foreign investors with investable opportunities and government agencies;
- 4.4 Agreed that the Bill provide that the assets and liabilities (including any existing grants and loan contracts) associated with the activities being transferred to Invest New Zealand will be transferred to Invest New Zealand;
- 4.5 Agreed that the Bill provide that staff associated with the activities being transferred who are offered equivalent roles at Invest New Zealand will not be entitled to redundancy compensation in their current employment agreements should they decline the equivalent role;
- 4.6 Confidentiality
- 4.7 Noted the intention for the Bill to be passed and enacted by 1 July 2025;
- 4.8 Invited the Minister to issue drafting instructions to the Parliamentary Counsel Office for a Bill giving effect to the above decisions;
- 4.9 Authorised the Minister to make further decisions, consistent with the overall policy in the paper under ECO-25-SUB-0016, on any issues which relate to the establishment of Invest New Zealand, and the transfer of certain functions of New Zealand Trade and Enterprise under the New Zealand Trade and Enterprise Act 2003 to Invest New Zealand.

*The Bill will establish Invest New Zealand*

- 5 This Bill will establish Invest New Zealand as a new autonomous Crown entity, to help make New Zealand a premier destination for overseas investment that will create higher paying jobs and grow the economy.
- 6 The main function of this entity will be to facilitate and enable increased overseas investment in New Zealand. It will do this by facilitating connections and collaboration between overseas investors, New Zealand investors, research institutions, organisations, and providers of opportunities for overseas investment.

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- 7 Invest New Zealand will also have the additional function to provide advice and information to MBIE on any policies and legislation needed to attract overseas investment.
- 8 The Government will be able to shape investment priorities for Invest New Zealand by issuing a direction under section 104 of the Crown Entities Act 2004. This mechanism is intended to provide the Government with the flexibility to update its priorities in subsequent years without needing to amend this legislation.
- 9 A clause has been included in the Bill which will allow Invest New Zealand to reserve the right to charge fees and recover costs if it determines this is necessary.
- 10 The Bill also provides for the transference of staff, assets, and liabilities from New Zealand Trade and Enterprise (NZTE) to Invest New Zealand.
- 11 Cabinet is asked to note the three following decisions I have made during the drafting process. They are consistent with the overall policy in previous Cabinet papers and fall within my delegated authority. Under this authorisation, I have made the following further decisions:
  - 11.1 The Board of Invest New Zealand will have between three and nine members and be a board for the purposes of the Crown Entities Act 2004, and that this be reflected in the legislation;
  - 11.2 The legislation will allow the Minister to appoint the Secretary of the Ministry of Business, Innovation and Employment (MBIE) as a special adviser to the Board;
  - 11.3 Invest New Zealand will need to notify the Minister of how it will have regard to government direction, including a statement in its annual report, and that this requirement be reflected in the legislation.
- 12 To reconfirm, Invest New Zealand's remit excludes public infrastructure investment, as this is carried out by National Infrastructure Funding and Financing Limited.

### Impact analysis

- 13 Cabinet's impact analysis requirements apply to these proposals. A Regulatory Impact Statement on the key proposals was prepared for the Cabinet Economic Policy Committee paper [ECO-25-SUB-0016 refers] and is attached to this paper as Annex Two.
- 14 The Regulatory Impact Analysis Review Panel at the Ministry of Business, Innovation and Employment (MBIE) has reviewed the Regulatory Impact Assessment *Establishment of Invest New Zealand* and have determined that the paper meets the criteria.

### Climate Implications of Policy Assessment

- 15 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 emissions impact is indirect. The establishment of Invest New Zealand is expected to

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have a subsequent indirect emissions impact for certain sectors, depending on investment priorities, which would be difficult to quantify.

### Compliance

- 16 The Bill complies with
- 16.1 the principles of the Treaty of Waitangi;
  - 16.2 The Ministry of Justice is currently vetting the Bill to determine if it complies with the rights and freedoms contained in the New Zealand Bill of Rights Act 1990;
  - 16.3 the disclosure statement requirements – a disclosure statement has been prepared and is attached as Annex Three;
  - 16.4 the principles and guidelines set out in the Privacy Act 2020;
  - 16.5 relevant international standards and obligations;
  - 16.6 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.

### Consultation

- 17 MBIE has consulted with the following agencies on this paper and the Bill: 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 Kokiri, 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.

### Binding on the Crown

- 18 The Act will bind the Crown.

### Creating new agencies or amending law relating to existing agencies.

- 19 This legislation will create a new agency, Invest New Zealand. It will be an autonomous Crown entity under the Crown Entities Act 2004. Schedule 1, Part 2 of the Crown Entities Act 2004 will be amended to achieve this.
- 20 The Bill will amend the New Zealand Trade and Enterprise Act 2003, to remove NZTE's functions in regard to the attraction of overseas investment.

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- 21 The Ombudsmen Act 1975 and the Official Information Act 1982 will apply to this agency. The Bill will amend Schedule 1, Part 2 of the Ombudsmen Act 1975 to achieve this.
- 22 The Bill will amend the Overseas Investment Act 2005 to allow Invest New Zealand to disclose and receive information from other agencies for the purpose of managing national security and public order risks associated with transactions by overseas persons.

### **Allocation of decision-making powers**

- 23 The Bill does not change the allocation of decision-making powers between the executive, the courts, and tribunals.

### **Associated regulations**

- 24 The Bill does not make amendments to any associated regulations.

### **Other instruments**

- 25 The Bill does not include any provision empowering the making of other instruments that are deemed to be legislative instruments or disallowable instruments.

### **Definition of Minister/department**

- 26 The Bill relies on the definitions for “department” and “Minister” in s 13 of the Legislation Act 2019. The Bill defines “chief executive” as “means the chief executive of the department”.

### **Commencement of legislation**

- 27 The Bill will come into force on the 1 July 2025.

### **Parliamentary stages**

- 28 I propose that the Bill be introduced to the House alongside the Budget on 22 May 2025. I propose that the Bill be passed alongside the Budget.
- 29 As I have proposed that this Bill will be passed alongside the Budget, I propose that it is not referred to a select committee.

### **Proactive Release**

- 30 I propose to release this paper proactively, within 30 business days after the Bill is passed, subject to any redactions consistent with the Official Information Act 1982.

### **Recommendations**

I recommend that the Cabinet Legislation Committee:

- 1 **note** that the Invest New Zealand Bill (the Bill) will establish Invest New Zealand as an autonomous Crown entity with the purpose of promoting increased overseas investment into New Zealand and providing for Invest New Zealand’s functions and operation;

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- 2     **note** that introducing the Bill will fulfil item three of the Coalition Government's action plan for the second quarter of 2025;

3     Confidentiality

- 4     **note** that Cabinet authorised the Minister to make further decisions, consistent with the overall policy in the paper under ECO-25-SUB-0016, on any issues which relate to the establishment of Invest New Zealand, and the transfer of certain functions of New Zealand Trade and Enterprise under the New Zealand Trade and Enterprise Act 2003 to Invest New Zealand;

- 5     **note** that that Minister has made the following further decisions, consistent with the authorisation in paragraph 4 above, which are consistent with the overall policy in the paper under ECO-25-SUB-0016:

- 5.1     that the Board will have between three and nine members and be a board for the purposes of the Crown Entities Act 2004, and that this be reflected in the legislation;
- 5.2     that the legislation allow for the Minister to appoint the Secretary of the Ministry of Business, Innovation and Employment (MBIE) as a special adviser to the Board;
- 5.3     that Invest New Zealand will need to notify the Minister of how it will have regard to government direction, including a statement in its annual report, and that this requirement be reflected in the legislation.

- 6     **approve** the Invest New Zealand Bill for introduction, subject to the final approval of the Government caucus and sufficient support in the House of Representatives;

- 7     **agree** that the Minister may approve minor and technical changes to the Bill, prior to introduction;

- 8     **agree** that the Parliamentary Counsel Office can make minor proofreading and editorial changes to the Bill prior to introduction; and

- 9     **agree** that the government propose that the Bill be:

- 9.1     introduced on 22 May 2025; and
- 9.2     enacted by 1 July 2025.

Authorised for lodgement

Hon Todd McClay

Minister for Trade and Investment

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9       **agreed** that the Government propose that the Bill be:

9.1       introduced on 22 May 2025;

9.2       enacted by 1 July 2025.

Tom Kelly  
Committee Secretary

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**Present:**

Rt Hon Winston Peters  
Hon Chris Bishop (Chair)  
Hon Louise Upston  
Hon Judith Collins KC  
Hon Brooke van Velden  
Hon Casey Costello  
Hon Nicole McKee  
Hon James Meager  
Stuart Smith, MP  
Jamie Arbuckle, MP  
Todd Stephenson, MP

**Officials present from:**

Officials Committee for LEG