



COVERSHEET

Minister	Hon Judith Collins, KC	Portfolio	Space
Title of briefing	Introduction of the High-Altitude Activities Amendment Bill	Date to be published	10 October 2025

List of documents that have been proactively released

Date	Title	Author
July 2025	Introduction of the High-Altitude Activities Amendment Bill	Office of the Minister for Space
17 July 2025	Introduction of the High-Altitude Activities Amendment Bill LEG-25-MIN-0135 Minute	Cabinet Office
9 July 2025	Regulatory Impact Statement: Ground Based Space Infrastructure Regulatory Regime	MBIE

Information redacted

YES / NO

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 protecting national security and confidential advice made to Government.

[RESTRICTED]

Office of the Minister for Space

Cabinet Legislation Committee

Outer Space and High-altitude Activities Amendment Bill: Approval for Introduction

Proposal

- 1 This paper seeks approval to introduce the Outer Space and High-altitude Activities Amendment Bill to regulate ground-based space infrastructure (GBSI). It also seeks decisions on final policy settings to address matters identified during drafting.

Policy

- 2 This Amendment Bill (Annex One) introduces changes to the Outer Space and High-altitude Activities Act 2017 (OSHAA) to establish a regulatory regime for GBSI.
- 3 In December 2022 Cabinet agreed in principle to the development of a new regime for regulating GBSI [ERS-22-MIN-0057]. This was followed by further in-principle decisions on the scope and design of the new regime in July 2024 [ECO-24-MIN-0115]. In April 2025, Cabinet agreed to proceed with an amendment to the OSHAA to establish a regulatory regime for GBSI [CAB-25-MIN-0132] by July 2025.
- 4 GBSI is used to communicate with, operate, receive data from, or track spacecraft (e.g., satellites) from Earth. It plays a critical role in supporting satellite systems including those used for communication, weather monitoring, and disaster response.
- 5 However, due to its dual-use nature, serving both civilian and military functions, GBSI also presents risks to national security and other national interests. The Bill seeks to manage these risks by introducing an authorisation regime that applies to GBSI activities including communicating with, tracking, or controlling space objects, and identifying or surveilling them. Certain activities, including those of a personal or emergency nature, and specific types of equipment, are excluded from the regime as they are low risk.
- 6 Operators undertaking in-scope GBSI activities will be required to be authorised. To obtain this, operators will need to notify the regulator that they have implemented protective security plans and have the systems to conduct due diligence on any partners they provide GBSI services to (such as customers or research collaborators) and may be required to undergo assessments and inspections.
- 7 It also empowers the Responsible Minister to revoke authorisations and order the disposal of an operator's interest in GBSI on the grounds of national interest (including national security).

- 8 The Minister will be able to decline an authorisation where the Minister is not satisfied that the grant of the authorisation is in the national interest (including national security).
- 9 The Bill also introduces offences and penalties aligned with existing provisions in the OSHAA.
- 10 A transition period will begin on 29 July 2025, during which existing operators will be deemed authorised until the first set of regulations relating to GBSI are made under the Act or 29 July 2026 – whichever passes first. This allows time for operators to meet the new requirements. MBIE will act as the regulator, advising the Responsible Minister and overseeing compliance.

Additional Policy Decisions

- 11 I seek approval for the following further policy decisions for the Bill that were identified during the drafting process.

Consultation requirements

- 12 Unlike other authorisations under the OSHAA, the Bill does not require the Responsible Minister to consult with the Minister Responsible for the Government Communications Security Bureau (GCSB) and the New Zealand Security and Intelligence Service (NZSIS). There have been practical difficulties with the existing statutory consultation requirements, and it is unnecessary to require consultation in legislation, because it can occur without a statutory requirement. It is intended that consultation will be undertaken between MBIE officials and intelligence and security agencies to support operationalisation of the regime.

Disposal order

- 13 There is a risk that even if an authorisation is declined or revoked on national interest grounds, an operator that has an interest in GBSI might continue to operate it, to the detriment of the national interest. The Bill includes a new power to address this.
- 14 The proposed new power would be available if the Minister believes that the person's operation of the GBSI for a regulated activity poses a national interest (including national security) risk that cannot adequately be managed by imposing GBSI activity authorisation conditions, removing the person's authorisation, or taking enforcement action under OSHAA where this is feasible. There is a similar power in the Overseas Investment Act 2005 to require disposal of strategically important business interests that give rise to national security concerns.
- 15 A disposal order requires the person to dispose of all or part of their interest in the GBSI or right to operate it. It may also specify the time frame for the disposal and the way in which the interest or right must be disposed of.
- 16 I propose that the Bill also give the Responsible Minister the power to issue directions to electricity retailers and internet service providers to stop supply

to the GBSI to prevent continued operation of the GBSI pending disposal, if necessary to protect the national interest.

- 17 If a person fails to comply with a disposal order, it is proposed that an enforcement officer or constable could apply to the District Court for a forfeiture order vesting the interest or right that was the subject of the disposal order in the Crown and directing the officer or constable to dispose of the interest or right. Proceeds from any sale or other form of disposal of an interest or right will be passed on to the person whose interest in the GBSI was forfeited.
- 18 It is also proposed that the Bill provide an additional power for enforcement officers to take reasonable steps to disable the infrastructure where necessary in the national interest. This is needed to ensure that GBSI cannot continue to be used in a manner that is inconsistent with the national interest once an authorisation has been declined, suspended or revoked.

Amendments to offences and penalties

- 19 Cabinet agreed that it would be an offence to provide false or misleading information on an authorisation application or in any reporting to the regulator. This Bill widens this to the provision of any information under the OSHAA (not just for the purposes already covered in the Act or GBSI authorisation).
- 20 Cabinet agreed it will be an offence not to comply with an assessment or inspection, or to provide false or misleading information in the course of an assessment or inspection with fines of up to \$50,000 for an individual or \$250,000 for a body corporate. The Bill does not include this, as there is an existing offence for providing false or misleading information to an enforcement officer with penalties of up to \$10,000 for an individual or up to \$50,000 for a body corporate.
- 21 To support the proposed new direction power, I propose an offence of failing without reasonable excuse to comply with a direction with a penalty of a fine of up to \$5000 for individuals or \$50,000 for a body corporate.

Transition period

- 22 Cabinet agreed that there would be a transition period for GBSI authorisation, from commencement in July until 1 March 2026 to allow in-scope GBSI operators time to come into compliance with the regime before seeking authorisation. Instead of specifying a date, I now propose that the transition period be until the earlier of the date on which the first regulations related to GBSI made under the OSHAA come into force or a backstop date of 29 July 2026. This gives greater flexibility and will ensure that any necessary consultation on the regulations can be carried out.
- 23 I expect that regulations will be in place by the end of this year, and will come into force by mid-2026, giving operators time to comply with requirements set out in regulations.

Minor and technical amendments

- 24 I propose that GBSI authorisation holders will be required to seek approval for change of control or transfer of interest in the authorisation holder. This is consistent with the approach to other authorisations under the Act.
- 25 Cabinet agreed that the regulator will have the power to share information with the GCSB and NZSIS. This is not included in the Bill, as this is already covered by the existing information sharing provision in the principal Act.
- 26 I propose a new regulation making power that would allow the making of regulations that would further define the term 'operate' to clarify its meaning in the context of novel technologies and business operating models.
- 27 CAB-25-MIN-0132 notes the agreement to operators being obligated to report on third parties and security breaches. I propose providing for these matters in regulations rather than in the Act to allow for regulatory flexibility.

Impact analysis

- 28 A Regulatory Impact Statement was prepared in accordance with the necessary requirements and was submitted at the time Cabinet approval of the policy relating to the Bill was sought [CAB-25-MIN-0132 refers].
- 29 During drafting, further adjustments to policy were made as outlined above. Due to this, the Regulatory Impact Statement was updated to reflect these changes and is attached in Annex Two.

Compliance

- 30 The Ministry of Justice has provided a BORA vet, and the Bill complies with the rights and freedoms contained in the New Zealand Bill of Rights Act 1990.
- 31 The Bill complies with each of the following:
 - 31.1 The principles of the Treaty of Waitangi
 - 31.2 The Human Rights Act 1993
 - 31.3 The Legislation Guidelines maintained by the Legislation Design and Advisory Committee
 - 31.4 New Zealand's international obligations.
- 32 The Privacy Commission was consulted on the policy design and the draft Bill and had no concerns.

Disclosure statement

- 33 A disclosure statement has been provided as Annex Three.

Legislation Guidelines

- 34 The Bill has been developed in accordance with the legislation guidelines maintained by the Legislation Design and Advisory Committee. The Bill contains regulation making powers that provide for definitions in the Act to be amended. These address a strong need to future proof the regime given the rapid pace of technological change and the evolving nature of business models within the space industry.

Consultation

- 35 The following agencies have been consulted in the development of this paper: Ministry of Foreign Affairs and Trade, Ministry of Defence, New Zealand Defence Force, Department of Prime Minister and Cabinet, Land Information New Zealand, GCSB, NZSIS, Ministry of Justice, Office of the Privacy Commissioner, and the Treasury.
- 36 Targeted consultation was undertaken with industry to inform the proposed regulatory regime for GBSI. Further information is included in the Regulatory Impact Statement. Consultation with partner countries was also conducted. Excerpts of the draft Bill were shared with two GBSI experts to test key definitions and the regime scope.
- 37 The Leader of the Opposition was briefed on the policy proposal.

Binding on the Crown

- 38 The Act that will give effect to the decisions under CAB-25-SUB-0132 will bind the Crown, except:
- 38.1 to the New Zealand Defence Force; and
 - 38.2 a person assisting or providing services to, or working jointly with, the New Zealand Defence Force; or
 - 38.3 a person operating GBSI in a defence area (as defined in section 2(1) of the Defence Act 1990) with the consent of the New Zealand Defence Force; or
 - 38.4 an intelligence and security agency; or
 - 38.5 the New Zealand Police, or any other organisation or other person, assisting an intelligence and security agency under section 51 of the Intelligence and Security Act 2017; or
 - 38.6 a person operating GBSI in premises or a place owned, leased, or otherwise occupied by an intelligence and security agency.

Creating new agencies or amending law relating to existing agencies

- 39 The regime will not create a new agency or amend the law relating to existing agencies.

Allocation of decision-making powers

- 40 The power to issue, vary, suspend and revoke GBSI authorisations is vested in the Responsible Minister. The Responsible Minister will also have power to require an operator of GBSI to dispose of their interest or right in GBSI if it gives rise to a national interest (including national security) risk that cannot be managed through the authorisation process or taking enforcement action. The Minister will also have the power to direct electricity and internet service providers to stop supply to the GBSI. The District Court will have power to authorise an enforcement officer or constable to dispose of the operator's interest or right in GBSI if the terms of the disposal order are not complied with.

Associated regulations

- 41 The Bill contains regulation-making powers as well as extending the existing regulation-making powers in the OSHAA to cover the GBSI regime. Some regulations will need to be made to implement aspects of the GBSI regime. I will report back to Cabinet later this year on proposed regulations.

Other instruments

- 42 The Bill does not provide for any other instruments.

Definition of Minister/department

- 43 The Amendment Bill does not contain a definition of a Minister/department.

Commencement of legislation

- 44 The legislation will come into force on 29 July 2025.

Parliamentary stages

- 45 I propose that the Bill be introduced before the House by 22 July 2025.
- 46 Subject to agreement, the Government will propose that the Bill be progressed under urgency and enacted before 29 July 2025 to manage national security risks. It will not be presented to Select Committee.

Proactive Release

- 47 I propose to proactively release the Cabinet paper, subject to redaction as appropriate under the Official Information Act 1982, within 30 business days.

Recommendations

I recommend that Cabinet:

- 1 **note** that the Outer Space High-altitude Activities Amendment Bill holds a category 2 priority on the 2025 Legislation Programme.

R E S T R I C T E D

- 2 **note** that the Bill will give effect to the policy to manage risks associated with ground-based space infrastructure (GBSI).

Further policy decisions

- 3 **agree** that the Bill should not require the Responsible Minister to consult with other security Ministers on GBSI applications, but that MBIE will consult relevant agencies where necessary.
- 4 **agree** to a power for the Responsible Minister to issue an order requiring a GBSI operator to dispose of their interest or right in the GBSI, and an associated power to issue directions to electricity retailers and internet service providers to stop supply to the GBSI to prevent continued operation of the GBSI pending disposal, if necessary to protect the national interest.
- 5 **agree** to a power which allows an enforcement officer or constable, if someone fails to comply with a disposal order, to apply to the District Court for a forfeiture order vesting the interest or right to operate that was the subject of the disposal in the Crown and authorising the officer or constable to dispose of that interest or right.
- 6 **agree** that the existing offences of providing false information in connection with a licence or permit should be broadened to apply to the provision of false and misleading information for any purpose under the Act and should be extended to the GBSI regime.
- 7 **agree** that enforcement officers have the power to take reasonable steps to disable the infrastructure, and conduct inspections and assessments where it is appropriate.
- 8 **agree** that the offences of \$5000 for an individual and \$50,000 for a body corporate for failing without reasonable excuse to comply with a direction be included in the Act.
- 9 **agree** to rescind the offence for supplying false information in the course of an audit or inspection, previously agreed to in CAB-25-MIN-0132 as this will be covered by an existing offence for providing false and misleading information to an enforcement officer.
- 10 **agree** to amend the existing offence in the Act relating to the provision of false and misleading information so that it extends to all information provided to the Minister under the Act.
- 11 **agree** that GBSI authorisation holders be required to seek approval for change of control or transfer of interest in the authorisation holder.
- 12 **agree** that the power for the regulator to share information with the GCSB and NZSIS not be included in the Bill, as the OSHAA already provides for information sharing. This rescinds decision 12 from CAB-25-MIN-0132.

R E S T R I C T E D

R E S T R I C T E D

- 13 **agree** to a new regulation making power that would allow the making of regulations which would further define the term 'operate' to clarify its meaning in the context of novel technologies and business operating models.
- 14 **agree** that the Bill set out the GBSI activities that are out of scope of the regime subject to regulations which will allow amendments to be made.
- 15 **agree** that GBSI authorisation be required by the earlier of either the date the regulations related to GBSI made under the OSHAA come into force or 29 July 2026.
- 16 **agree** to rescind the previous decision 20 in CAB-25-MIN-0132 that agreed to a 1 March 2026 date for operator authorisation.
- 17 **agree** that, in addition to the persons Cabinet previously agreed in decision 8 of CAB-25-MIN-0132, the GBSI regime will not apply to the following persons: persons who operate GBSI in a defence area with the consent of the New Zealand Defence Force and persons who operate GBSI in premises owned or occupied by the New Zealand Security Intelligence Service and the Government Communications Security Bureau.

Approval and introduction of the Bill

- 18 **approve** the Outer Space High-altitude Activities Amendment Bill for introduction, subject to the final approval of the Government caucus and sufficient support in the House of Representatives.
- 19 **agree** that the Government propose that the Bill be progressed under urgency and enacted by 29 July 2025 to manage national security risks.
- 20 **agree** that the Bill be introduced on 22 July 2025.
- 21 **agree** that the Parliamentary Counsel Office can continue to make changes to the Bill consistent with Cabinet's policy decisions up until the Bill is printed for introduction.

Authorised for lodgement

Hon Judith Collins, KC
Minister for Space

R E S T R I C T E D