MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

Te Kāwanatanga o Aotearoa
New Zealand Government

Science Investment Plan 2026 – 2036

Driving economic growth through Science, Innovation and Technology

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Minister's Foreword

Science, Innovation and Technology will shape New Zealand's future. They are central to lifting productivity, growing high-value industries and driving economic growth and opportunities for New Zealanders, while also supporting the physical and social environment people need to be healthy and prosper.

Real progress comes from turning ideas into impact. That means backing the people behind those ideas – our world-class scientists, innovators and institutions – to make sure their work can create real-world impact, including supporting commercial success where it delivers the greatest value for New Zealand.

This Science Investment Plan sets a clear direction for maximising value to New Zealand. It directs public investment to areas of greatest impact, supporting a more productive, resilient, and competitive economy while continuing to invest in the fundamental and public-good science our economy, environment, and people need to thrive.

This Plan marks a significant milestone in the most substantial reform of our Science, Innovation and Technology system in more than 30 years. Combined with the reforms already underway, it lays the foundations for a more strategic and connected system, with new Public Research Organisations, clearer incentives for delivery, and strengthened capability to attract investment and support commercialisation.

Informed by advice from the Prime Minister's Science, Innovation and Technology Advisory Council, the Science Investment Plan identifies research areas where New Zealand can lead, building on existing strengths that provide a competitive edge. It directs sustained investment toward opportunities with the greatest potential to drive economic growth and long-term prosperity.

Over the next decade, we will focus our efforts where science can make the greatest difference. This includes capitalising on our strengths in the primary sector and environmental management, while accelerating progress in advanced technologies to lift productivity across the economy and underpin the industries of the future.

We are placing a stronger emphasis on practical and commercialisation outcomes. This will help make sure more ideas move beyond research and into commercialisation, supporting high-value jobs, enabling new industries, and strengthening New Zealand's position globally.

These changes will be introduced in a considered way, maintaining continuity and protecting critical capability so researchers and organisations have the confidence to plan and invest for the long term.

This Plan turns ambition into action, reflecting our commitment to supporting New Zealand's scientists and innovators to deliver for our economy, environment, and people, and to position the country for the opportunities ahead.

Hon Penny Simmonds
Minister of Science, Innovation and Technology

The Science Investment Plan

This Science Investment Plan (the Plan) sets out New Zealand's national strategic priorities for science and research investment, alongside a long-term investment profile. It enables the Government to apply sustained effort to priority outcomes, building the capability, expertise, infrastructure, and investment needed to realise them. Together, these priorities focus investment on what matters most to New Zealand – lifting productivity, strengthening environmental resilience, improving living standards, and securing sustained long-term economic growth.

The Plan is informed by advice from the Prime Minister's Science, Innovation and Technology Advisory Council (the Council), including its priorities report published on 1 April 2026 and subsequent advice provided to the Government on tangible opportunities for New Zealand. It does not rely on additional funding for the Science, Innovation and Technology (SI&T) system, with all changes funded through reallocation within existing baselines.

Core science and research funding is projected to decline in future years, reflecting earlier Government savings initiatives. However, since the reforms were announced in early 2025, no further savings to core science and research funding[1] have been required. This has recognised the role SI&T plays in driving New Zealand's economic growth and productivity, which the priorities and funding shifts outlined in the Plan will strengthen. Overall public investment in science, innovation and technology continues to rise due to growth in uptake of the Research Development Tax Incentive (RDTI), reflecting strengthening private-sector investment in research and development.

Research Funding New Zealand (RFNZ) will advise the Government on how to implement the Plan, including developing Pillar Investment Plans for each priority Pillar and designing fit-for-purpose investment mechanisms. As the new science system is embedded, the Government will provide further direction to funding bodies such as RFNZ, including on workforce and infrastructure priorities, informed by advice from the Council in the second half of 2026.

1 Funding awarded to scientists, researchers and organisations.

Image provided by Te Whai Ao – Dodd Walls Centre

What this Plan means for researchers

The Plan provides researchers and organisations with clear direction on how their work can contribute to Government's priorities (see *Strategic Priorities for SI&T Investments*), and can support their delivery through idea generation, producing research excellence that is impactful for New Zealand, and capability development.

This will support research teams to:

- continue tackling complex challenges, taking informed risks, and exploring new ideas
- identify and clearly articulate the potential economic and/or public-good impacts of their work
- engage with end-users, including communities and industry, to test relevance and pathways to impact.

What this Plan means for businesses

The Plan provides businesses with confidence in Government's sustained investment in the science system, and clarity about where investment will be targeted to achieve greater impact over the next decade. New Zealand businesses are already highly active in Research and Development (R&D)[2], with Government support through the RDTI forecasted to exceed direct SI&T funding by 2029/30.

The changes already made to institutions and settings are intended to strengthen connections between research organisations, universities, and business, and Government welcomes continued engagement with New Zealand businesses to translate research into impact.

What this Plan means for investors

The Plan provides clear signals about where public investment in SI&T is expected to support the emergence of new sectors and businesses with export potential. It also indicates that, where sectors are already performing strongly, public investment can help crowd in private capital by leveraging scale, expertise, and networks to generate long-term economic returns. Changes to institutions and settings are designed to strengthen pathways between research organisations, universities, businesses, and venture capital, and Government welcomes engagement with investors to support investment in research and innovation.

2 The RDTI generated an estimated $1.83 billion in additional R&D activity between 2019 and 2025. Source: RDTI Five-Year Evaluation, May 2025.

Driving economic growth through Science, Innovation and Technology

Supporting commercialisation and public good services

Government invests around $1.9 billion each year through the SI&T portfolio, comprising both direct investment and support through the RDTI. Together, these enable scientists, researchers, and innovators to develop new knowledge and translate ideas into market-ready products and services, including through start-ups, spin-outs, private-sector R&D, and collaboration with research organisations.

These investments are complemented by wider Government supports, including the Performance-Based Research Fund (to become the Tertiary Research Excellence Fund), the Primary Sector Growth Fund, the Pre-Seed Accelerator Fund, the Commercialisation Partner Network, and the Aspire and Elevate Funds.

Government investment also supports critical science services relied on by all New Zealanders, including tsunami monitoring, flood mapping, biosecurity research, forensic science, and Nationally Significant Scientific Collections and Databases. Collectively, these support New Zealand's economic growth, environmental resilience, and living standards.

Scientists monitoring volcanic activity. Image provided by Earth Sciences New Zealand.

Strengthening our high-value, knowledge-intensive economy

International evidence consistently shows that sustained R&D intensity is associated with higher productivity growth, greater economic scale, and more diversified export industries. Persistently weak productivity growth remains one of the key constraints on New Zealand's medium-term outlook,[3] and lifting science and innovation performance is a proven lever for securing sustained economic growth.

In 2024, New Zealand's total R&D investment reached $6.4 billion, up 21 per cent since 2022, lifting total R&D investment to 1.55 per cent of GDP.[4] This was the highest level on record, although still below the OECD average. The SI&T system supported approximately 46,000 highly skilled jobs in 2024 across firms, research organisations, and universities.[5]

Crucially, the Plan is not only about supporting public science capability; it is about strengthening a system that converts knowledge into commercial and societal value. Firms are the largest investors and the primary route to impact, with 2,265 businesses performing R&D.[6] Public science investment helps the private sector de-risk early-stage research, build talent pipelines and shared infrastructure, and crowd in private capital.

This includes leveraging areas of existing strength within the New Zealand economy, including the Māori economy, which is a significant and growing component of the economic base, with a large and rapidly expanding asset base and increasing participation in knowledge-intensive sectors. Building on these strengths will be important for lifting innovation performance, expanding high-value activity, and supporting long-term economic growth.

In this context, the Plan is key to ensuring that settings across public science, firm-led innovation, and the wider system are aligned to support high-value, knowledge-intensive activity across the economy.

3 OECD Economic Survey 2026
4 Research and Development Survey 2024
5 Research and Development Survey 2024
6 Research and Development Survey 2024

Creating a world-class system that delivers for New Zealand

Prior to the Government's Reforms, New Zealand's science system – the mix of institutions, incentives, and investment instruments supporting science and research – had remained largely unchanged for more than 30 years. It was fragmented and complex, with limited support for commercialisation, and fostered siloed activity and unnecessary administrative burden for researchers. As a result, the system struggled to keep pace with global shifts in how science is conducted and where future opportunities lie, limiting the impact of public investment.

The Reforms are establishing a more coherent system that enables New Zealand's world-class scientists, universities, and research organisations to translate new knowledge into real-world impact and compete internationally. These changes introduce a strategy-led, priority-driven investment approach, strengthen incentives for commercialisation, and create new science institutions with greater scale to support collaboration and connectivity across the system.

Following its full transition, New Zealand's SI&T system will be strategy-led, simpler, and more focused on commercial outcomes. This will enable scientists and researchers to concentrate on what matters most – solving complex problems, taking informed risks, and translating ideas into real-world impact.

Figure 1 outlines progress to date in the Reforms, while **Figure 2** illustrates how the previous SI&T system compares to the future state in **Figure 3**.

Figure 1. Delivery of the SI&T Reforms since January 2025

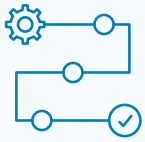
Focus area	What is needed		Actions taken
 Strategy	Clearer strategy on SI&T driving economic growth and delivering value for New Zealand	✓	First Strategic Priorities Report of the Council released, setting a long-term, future-focused direction for Government investment
		✓	Investments in advanced technologies research increased by $122 million by 2029/30 through Budget 2026, reflecting nationally significant opportunities identified by the Council
Funding	Funding better directed to deliver priorities and incentivise commercial outcomes	✓	RFNZ appointed to streamline science investment decisions
		✓	$142 million invested through the New Zealand Institute for Advanced Technology (NZIAT) in high-potential areas such as AI and quantum technologies
		✓	Over $850 million of science funding continues to be awarded to scientists and research organisations each year
		→	Phased transition to a more coherent, priority-driven investment framework
Commercialisation and delivery	Stronger incentives and pathways to translate research into economic and societal value	✓	Seven Crown Research Institutes amalgamated into three connected, globally-scaled Public Research Organisations, focused on delivering value for New Zealand
		✓	NZIAT established as a fourth Public Research Organisation to drive emerging technologies where New Zealand has competitive advantage
		✓	InvestNZ established to attract foreign direct investment into high-value areas
		✓	New national Intellectual Property (IP) management policy introduced, increasing researcher-owned IP and rewarding innovation and risk-taking
		→	Callaghan Innovation disestablished (from 1 July 2026, legislation-dependent)

Figure 2. The SI&T system before the reforms

BEFORE

There was no clear strategy to ensure New Zealand's science investment kept pace with global change, breakthroughs and economic opportunity. Investment in science was not coordinated, spread too thin, and too unfocused.

Minister of Science, Innovation and Technology
Decides investment plan for funds, provides feedback and expectations to each entity

Minister of Health
Decides strategy for Health Research Fund, in consultation with Minister SIT

MBIE
Advises Minister on investment plans, mix of funding mechanisms

Ministry of Health
Advises Minister on Health Research Council and Fund jointly with MBIE

It was difficult to drive a funding strategy across multiple decision-makers. It created inefficient competition, and there was a lack of incentive to generate commercial value from the research New Zealand funds.

The Royal Society of New Zealand
Fellowships, Prizes

MBIE
Decides on Strategic Science Investment Fund, Infrastructure, Catalyst Fund and more

Science Board
Decides on Endeavour Fund

Marsden Council
Decides on Marsden Fund

Health Research Council
Decides on Health Research Fund *and* administers processes and contracts

MBIE
Administers funding processes and contracts for SSIF, Catalyst, Endeavour Fund and others

The Royal Society of New Zealand
Contracts Marsden Fund

Innovation Agency

Callaghan Innovation including GIQ

Our Government institutions were set up 30 years ago – they were fragmented and sub-scale. They didn't enable easy collaboration and weren't set up well to respond to changing priorities.

Other Science and Research Organisations

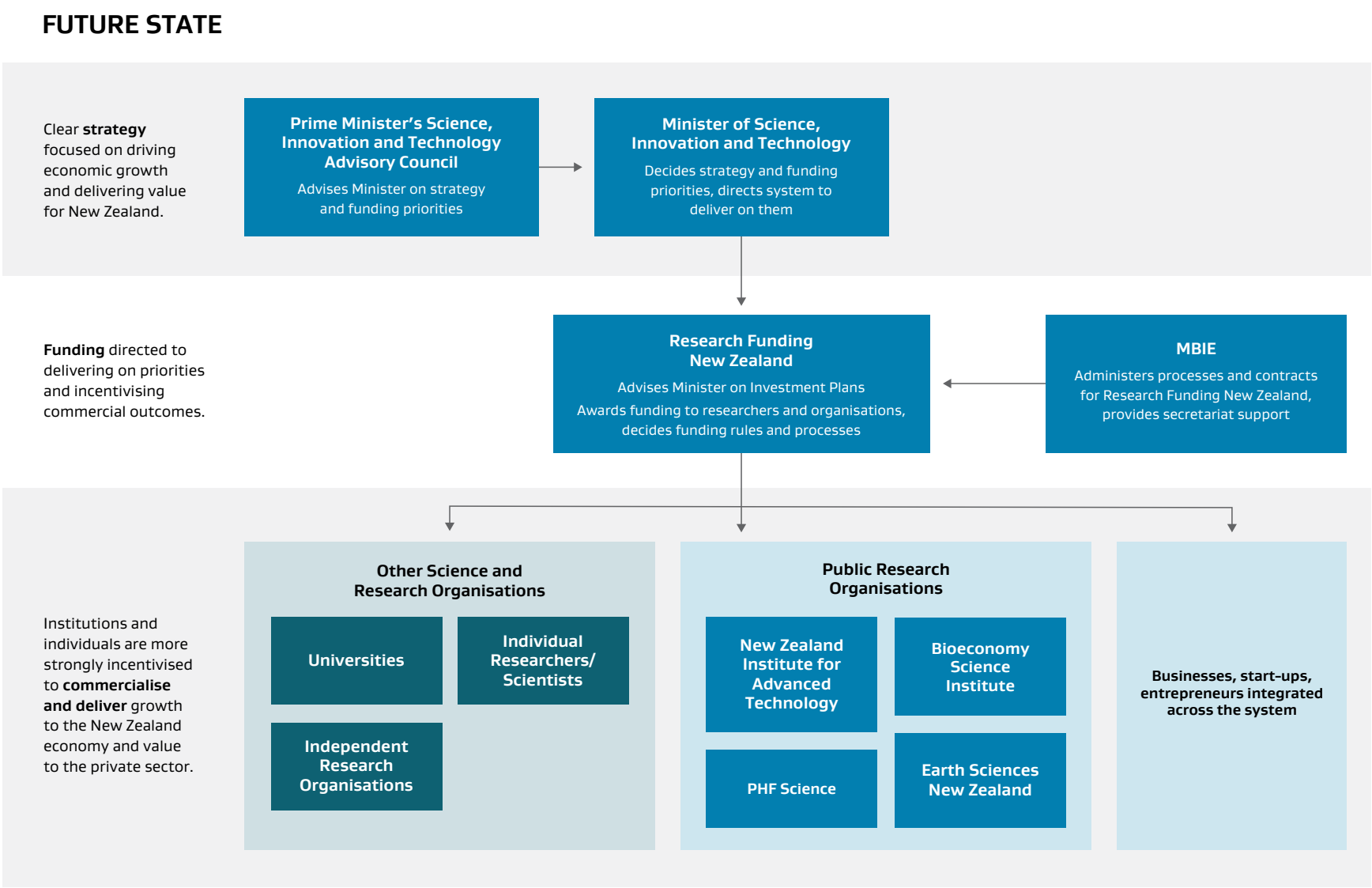
- Universities
- Independent Research Organisations
- Individual Researchers/ Scientists

Crown Research Institutes

- AgResearch
- NIWA
- Scion
- Institute of Environmental Science (ESR)
- Plant & Food Research
- GNS
- Manaaki Whenua Landcare Research

Businesses, start-ups, entrepreneurs work/partner with entities

Figure 3. The SI&T system after the reforms



Notes: Royal Society Te Aparangi manages the PM's Science Prizes and Fellowships. Health Research Council manages the He Ara Whakahihiko – Hauora Fund.

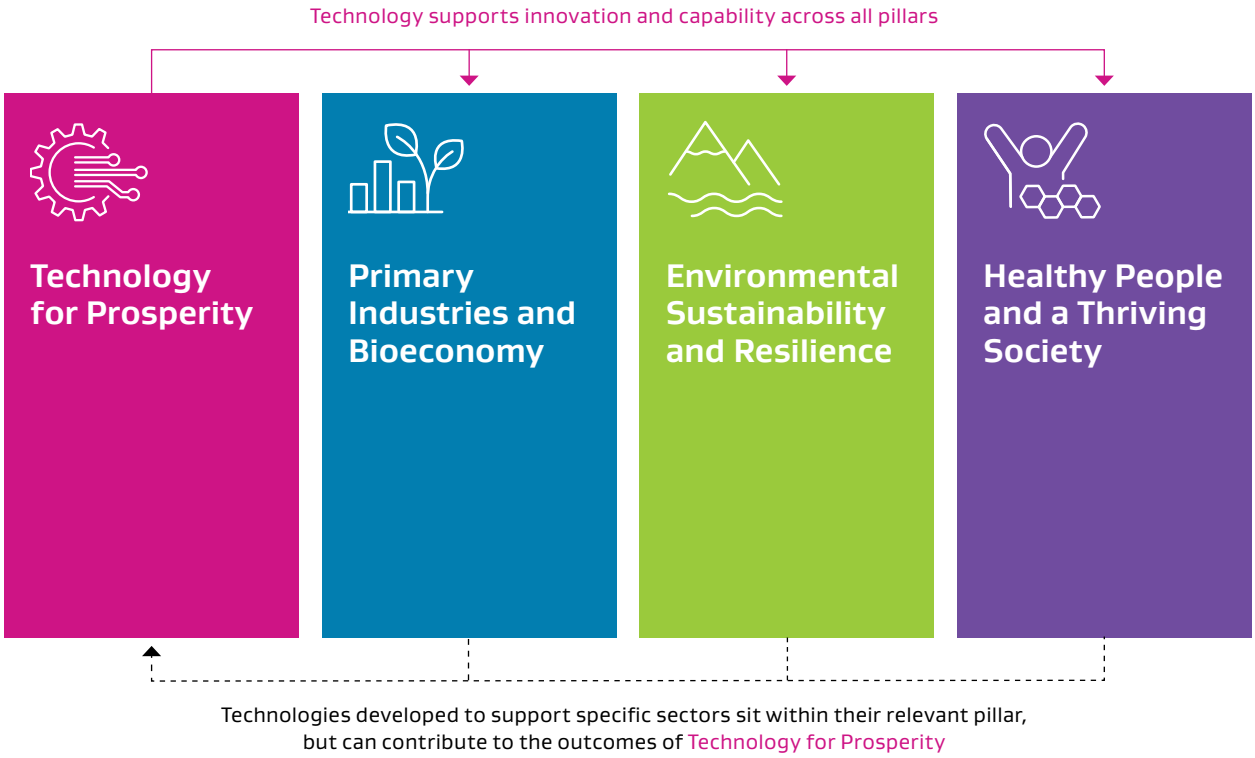
Strategic priorities for Science, Innovation and Technology investments

Focusing the new system on priority Pillars

Government has accepted the Council's recommendation to centre New Zealand's science system around four enduring Pillars of focus and investment (**Figure 4**). The weighting of investment across outcomes within each Pillar is not expected to be even, with specific research priorities and weightings expected to evolve over time.

Shifting the funding system to align with priority Pillars represents a significant change. Historically, the SI&T system was instrument-led – by competitive and investigator-led funding mechanisms – rather than strategy-led. This limited the ability to coherently direct investments strategically across the SI&T system, and reduced visibility of how research contributed to national priorities. A strategy-led system focused on priority Pillars will provide greater clarity on what the system is delivering and better demonstrate the value science creates for New Zealand.

Figure 4. The four priority Pillars



Lifting advanced technology science and research

Government has also accepted the Council's recommendation to increase investment in advanced technologies research by $122 million by 2029/30. This lift will ensure New Zealand remains at the leading edge of innovation and has the capability needed to lift performance across the wider economy. It moves New Zealand closer to the investment profiles of high-productivity OECD economies and will position us as global competitors.

This lift is enabled through a targeted rebalancing of investment, with reductions of between 22 and 31 per cent in areas that have received long-term sustained public investment. In many of these areas, private-sector investment has grown and there is further capacity for industry to take a greater role. The maturity of R&D in these sectors – particularly the primary industries – demonstrates how long-term Government investment can build expertise and capability that underpin economic growth. The Plan now applies this approach to advanced technologies.

Building in commercialisation from the outset

The Government is embedding a stronger focus on commercialisation across the SI&T system to increase the number of start-ups, spin-outs, licensing agreements, and other pathways to market.

High-quality research and ideas generated across the system will help enable investors to take new technologies and innovations forward.

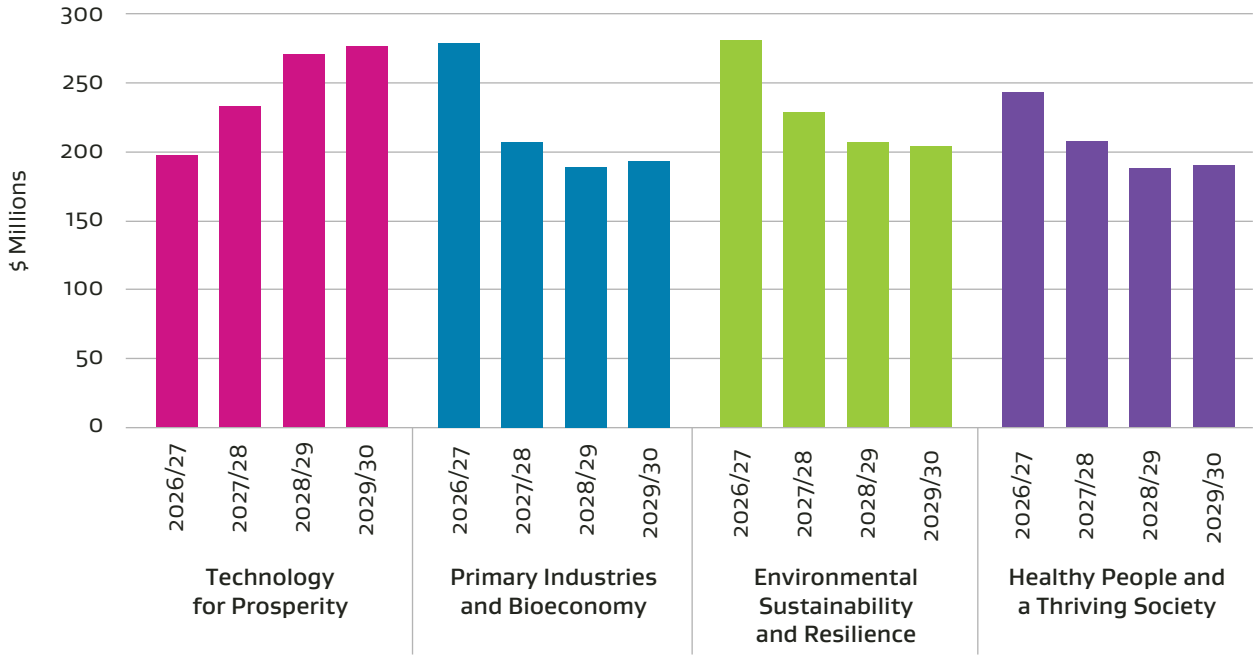
From 1 July 2026, the introduction of a new national IP management policy will better recognise and reward researchers for their ideas, strengthening the pathway from IP to successful commercial outcomes.

Shifting investments toward 2029/30 targets

While there is strong interest in moving quickly to capture the opportunities arising from an increased focus on advanced technologies research and commercialisation, the SI&T system needs time to adjust. Science and research careers are built over long timeframes, and it is important that researchers and organisations have the opportunity to consider how their work aligns with the new system and adapt where needed.

For this reason, the SI&T Budget will progressively shift towards the 2029/30 Pillar investment envelopes over four years (**Figure 5**), and all existing contracts will continue without change. Further detail on the changes announced in Budget 2026 is provided in **Appendix 1**.

Figure 5. Phased reallocation of core science and research investment across Pillars between 2026/27 and 2029/30 (includes both contracted and uncommitted investment)



Technology for Prosperity

Mission statement: The next wave of economic growth and human development depends on advanced technologies that are being rapidly developed and scaled offshore. New Zealand needs to invest in advanced technologies to lift productivity, remain internationally competitive and deliver stronger public good and stewardship outcomes. This requires a distinct approach that builds capabilities aligned to New Zealand's unique settings and strengths, generates broad spillovers and connects key sectors into global value chains.

Investment Profile		
$278m total investment per year by 2029/30	**15%** proportion of total science investment in 2025/26	**32%** proportion of total science investment by 2029/30

Expected contributions from public investment:

- Capability for smarter decision-making and system performance
- Measurable productivity, competitiveness and stewardship gains
- Knowledge that supports higher positioning in global value chains
- Improved value proposition for international talent, capital and partnerships

Challenge	Opportunity
Demand for tailored decision-making tools to leverage data-intensive systems, and support national productivity transformation alongside data-rich products and services.	Build advanced computing and AI capability for adaptive decision-making across complex, end-to-end systems – with a specific focus on applied AI tools that leverage New Zealand's size, unique domain datasets and shared platforms that make this capability accessible to small and medium operators across the country.
Biological and biomedical strengths are not yet consistently converted into high-value products and exports, reflecting limitations in scale-up, advanced processing and integration with engineering and data.	Back engineering biology, biomedical science, synthetic biology and biomanufacturing to create new high-value products, processes and platforms, linking innovation with advanced engineering, data and processing capability to enable new biological and medical industries and exports.
Advanced technologies are shaping future paths of development but scale advantages sit offshore, raising the risk that New Zealand becomes locked in lower-value roles in the global economy.	Support enabling technologies that underpin high-value products, efficiencies and participation in global value chains. Areas of niche strength include advanced materials, photonics and sensing, autonomous systems, and applications in agritech and medtech.
Realising long-term value from structural advantages in space and ocean access with a deliberate focus on downstream capability.	Support space-enabled innovation so New Zealand becomes preferred global launch partner, supporting the development of downstream space applications that translate capability into economic, environmental and security value.
Access to global capital, talent, and strategic partnerships for advanced technology development, testing, and deployment at scale.	Position New Zealand as a trusted real-world innovation sandbox, enabled through investment in workforce capability, secure environments, regulatory science and de-risking and living laboratories that attract global capital, talent and partners.
Ensuring energy security, reliability and affordability in an increasingly complex and distributed energy system that existing grid, control and market arrangements are not equipped to manage.	Create smarter, intelligent energy systems supported by advanced generation and storage, digital control and system intelligence, grid optimisation and emerging hydrogen and ammonia energy vectors.

Spotlights

Testing the future of space travel

Unlike traditional chemical rockets, electric propulsion systems use solar energy and can operate for months or even years, making them far more fuel-efficient and suitable for deep-space missions. The Hēki Mission is a landmark space experiment testing a high-temperature superconducting magnet specifically designed for use in electric propulsion systems.

Launched to the International Space Station in 2025, Hēki is the first high-temperature superconducting magnet of its kind to be tested in orbit. Working with domestic and international partners, the system was developed by Paihau – Robinson Research Institute and builds on its 40-year legacy in superconductivity, science, and engineering. The mission focused on testing how reliably the technology performed in real world conditions, an important step toward attracting commercial partners and moving beyond the research phase.

Initially funded through MBIE Endeavour, and now supported by NZIAT's Future Magnetic and Materials Technologies research platform, Hēki is advancing aerospace innovation, strengthening New Zealand's sovereign space technologies and building workforce capability.

The Hēki mission tested a new superconducting technology aboard the International Space Station, which has the potential to pioneer electric space propulsion systems. Image provided by Victoria University of Wellington.

Pioneering cleaner fuels for the future

As the world seeks low carbon alternatives to fossil fuels, hydrogen and ammonia have emerged as two promising options.

Ammonia is rich in energy and can be readily stored and transported as a liquid. However, current methods for producing ammonia are too energy-intensive and expensive, limiting its environmental benefits. Liquium, a spin-out from Victoria University of Wellington supported by the MacDiarmid Institute, is developing new catalysts that dramatically reduce the energy and cost needed to make ammonia. This could open the door to ammonia being used as a cleaner fuel worldwide. Liquium has now completed the preliminary design of an industrial pilot facility – an important milestone toward proving the technology works at scale.

Researchers are developing ways to produce carbon free fuels. Image provided by Liquium.

Hydrogen has strong potential as a clean global fuel, but safely storing it in very large volumes over long periods remains a major challenge. In particular, underground storage must prevent the gas from leaking, reacting with surrounding rocks and fluids, or being altered by naturally occurring microorganisms. Through the HyDRA project, Earth Sciences New Zealand is working with European partners, universities, and prospective storage operators to make underground hydrogen storage safe and reliable. Supported by MBIE Catalyst, the project is examining how hydrogen behaves underground. By developing practical risk frameworks and scientific guidelines, this work is helping build New Zealand's long-term capability in hydrogen generation and storage for a low-carbon future.

Investment mechanisms

The $278 million a year investment for *Technology for Prosperity* will be distributed by two main decision-making bodies:

NZIAT will continue to make investments with its budget growing to $73 million by 2029/30. Its investments in cutting-edge research will build on the future magnetic and materials technologies platform, artificial intelligence platform, and quantum technologies platform discovery phase already underway. Although NZIAT is independent of RFNZ, the two bodies will coordinate so that NZIAT investments support the *Technology for Prosperity* Pillar and align with the Pillar Investment Plan.

RFNZ will invest in advanced technologies in line with the *Technology for Prosperity* Pillar Investment Plan currently under development. RFNZ's budget for *Technology for Prosperity* will grow to $135 million by 2029/30. In making investment decisions, RFNZ will take account of NZIAT's platform investments to ensure a holistic, system-wide approach across the Pillar.

Additional mechanisms will continue to support advanced technology research, including the Catalyst Fund and nationally significant infrastructure investments. Decisions on these investments sit primarily with the Minister of SI&T or are delegated to the Ministry for Business, Innovation and Employment (MBIE).

Experiments are assessing how geological properties shape microbial communities and how they may affect hydrogen storage integrity. Image provided by Earth Sciences New Zealand.

Primary Industries and Bioeconomy

Mission statement: New Zealand's primary industry sectors are central to national prosperity and exports and regional employment, but face mounting pressure from weak productivity growth, rising costs, climate impacts, biosecurity risks and tightening environmental limits. New Zealand's long-term prosperity depends on lifting its performance and resilience in existing systems and expanding into higher-value products through science that strengthens sustainability and enables new processes and IP.

Investment Profile		
$194m total investment per year by 2029/30	**29%** proportion of total science investment in 2025/26	**22%** proportion of total science investment by 2029/30

Expected contributions from public investment:

- Productive, resilient and sustainable primary production systems
- World-leading biosecurity prevention, preparedness, and response
- Technology-enabled, data-driven production systems
- Greater value capture and diversification by enabling high-value products, advanced processing and IP

Challenge	Opportunity
Exposure to biosecurity threats driven by increasing global trade and travel, climate-driven expansion of pest and disease ranges, and growing propagule pressure along supply chains.	Support world-leading approaches to biosecurity, by enabling prevention, early detection and rapid response to diseases and invasive species, through integrated surveillance, diagnostics and system-level monitoring of value chains.
Limited value capture and diversification across primary sectors leaves economic value unrealised and exposes exporters to price volatility, with an over-reliance on bulk, minimally processed outputs.	Create high-value products, advanced processing capability and IP by building on New Zealand's primary strengths, including premium foods, ingredients, nutraceuticals, advanced materials, chemicals and bio manufactured products.
Pressure from climate and environmental thresholds, with insufficient adaptive and genetic capability to sustain resources, productivity, value creation and resilience.	Promote resilient, productive and sustainable production systems, by developing science that supports adaptive, low-impact production systems, including through the genetic improvement of plant, animal, fish and forestry species to lift productivity and climate resilience.
Unrealised potential of advanced technologies is limiting productivity, efficiency and value capture across primary and extractive production systems.	Develop high-tech enabled production systems – technology to be integrated, tested and adapted to real-world primary production, unlocking precision production, resource efficiency and robust traceability across supply chains.
Environmental, social and cost pressures constrain New Zealand's ability to capture value from critical minerals.	Work to become a trusted, low-impact supplier of critical minerals by doing science that supports lower-impact exploration, extraction, and processing of mineral and energy resources.

Spotlights

Transforming global agriculture without genetics or fertilisers

By exposing seeds to precise ultraviolet light, BioLumic's technology activates natural biological responses, boosting crop growth, resilience, and yield without the need for genetic modification, increased land use, or chemical fertilisers.

Crop performance is enhanced from UV light activation of seed. Image provided by BioLumic.

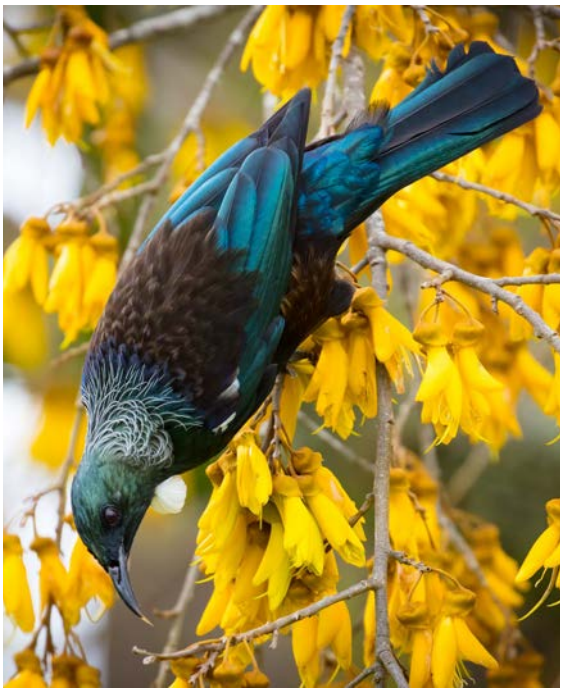
A New Zealand founded agritech company, Biolumic are translating more than a decade of research from Massey University into a globally scalable technology. Working with major growers and seed producers, the technology is now being applied across food systems worldwide. In New Zealand, the company is applying the technology to ryegrass, with the aim of delivering significant reductions in methane emissions from the dairy sector.

Early support from specialist agritech investors, including MBIE-funded innovation support, enabled the company to scale its research and build commercial partnerships. By combining engineering with biological and data science, BioLumic demonstrates how technology can support higher-value exports and strengthen New Zealand's bioeconomy.

Unlocking New Zealand's unique bioeconomy

New Zealand is home to more than 80,000 indigenous species, many with bioactive properties that could be used in medicines, cosmetics, functional foods, and natural health products. Until recently, this opportunity has been largely untapped, with biodiscovery spread across small, disconnected efforts. The Biodiscovery Platform is changing this by supporting the discovery and development of high-value, bio-based products derived from Aotearoa's unique flora and fauna.

Funded through MBIE's Strategic Science Investment Fund and led by the Bioeconomy Science Institute, the platform brings together researchers, industry, and Māori enterprises to accelerate science-led commercialisation. By reducing the risks of early-stage research and strengthening connections between science, mātauranga Māori, and business, it is helping shift New Zealand's bioeconomy toward high-value, IP-intensive exports.



A tūī bird feeding on Kowhai nectar, a plant with many medicinal properties.

Environmental Sustainability and Resilience

Mission statement: New Zealand faces compounding environmental pressures from increasing exposure to natural hazards and weather extremes, ongoing biodiversity loss, stress on land and resources and the need to transition energy and production systems at pace. These pressures are amplified by changing climate conditions and global responses to the causes and impacts of climate change. Science is critical to reducing risk, restoring natural capital, enabling clean and circular systems and supporting confident, long-term environmental decision-making.

Investment Profile		
$204m total investment per year by 2029/30	**30%** proportion of total science investment in 2025/26	**24%** proportion of total science investment by 2029/30

Expected contributions from public investment:

- Improved resilience to natural hazards and weather impacts
- Improving allocation, efficiency and environmental outcomes for key natural resources
- Protection and restoration of biodiversity and New Zealand's distinct natural heritage
- Climate mitigation and adaptation informed by robust science
- Trusted environmental data, monitoring, and integrated decision support
- International leadership in Antarctic and Southern Ocean stewardship

Challenge	Opportunity
High exposure to natural disasters and weather extremes is a threat multiplier across health, infrastructure, ecosystems and the economy, which is increasing disruption, losses and recovery costs.	Enable integrated multi-hazard and climate risk science that strengthens forecasting, engineered preparedness, land-use and infrastructure decisions at national, regional and local levels.
Biodiversity loss and ecosystem degradation are weakening natural capital, but interventions are constrained by high costs, competing interests, limited monitoring and evaluative capability and fragmented science and data systems.	Supporting system-scale nature recovery through science to deliver real-world tools and integrated methods for prioritised, demonstrable and cost-effective recovery of species and ecosystems across land, freshwater and marine environments.
Decision uncertainty under changing climate conditions is preventing effective mitigation and adaptation by limiting confidence in long-term planning, investment and regulatory choices.	Actionable climate science that provides robust, accessible evidence, models and decision support tools to inform mitigation and adaptation choices and build long-term environmental resilience across regions and sectors.
New Zealand's energy and fuel systems must become cleaner without compromising supply, affordability and reliability, while managing environmental impacts.	Support cleaner energy systems by investing in effective renewable generation and economy-wide electrification, with evidence to site, design and operate clean electricity and low-emissions fuel systems.
Human activities and industry are increasing pressure on land and natural resources, yet production and material systems remain largely linear and resource intensive.	Create integrated circular systems where science supports system-level methods, processes and decision frameworks that allow circular production and Greentech solutions to be designed, integrated and scaled across the economy.
Environmental governance and regulation lack integrated evidence, data, behavioural insight and lifecycle analysis to support effective, coherent and defensible policy and regulatory decisions.	Science to support environmental governance, policy and regulation – covering settings, standards, incentives, behaviour change, decision frameworks and lifecycle assessment.

Spotlights

Turning undersea cables into early warning hazard systems

Despite New Zealand's frequent exposure to earthquake and tsunami risk, much of the surrounding ocean remains sparsely monitored due to the high cost and complexity of deploying seafloor sensors. This world-first collaboration repurposes existing subsea internet cables running across the Tasman Sea into highly sensitive seismometers by detecting minute changes in fibre-optic signals.

Led by the Measurement Standards Laboratory of New Zealand in partnership with the UK's National Physical Laboratory and Earth Sciences New Zealand, and supported by MBIE Catalyst investment, initial trials have successfully detected earthquakes hundreds of kilometres from the cable, demonstrating the technology's sensitivity. The work has strong potential to improve earthquake and tsunami early warning for coastal communities in New Zealand and across the wider Pacific region.

Optical instrumentation can detect minute seismic activity. Image provided by Measurement Standards Laboratory.

Mapping tomorrow's rain in a warming world

How clouds and rainfall in the Southern Hemisphere shape global weather patterns remains one of the largest uncertainties in climate predictions. Using a High Altitude and Long Range (HALO) research aircraft, German and New Zealand scientists were flown over the Southern Ocean to take airborne observations in one of the world's least studied atmospheres.

Delivered through close collaboration between the University of Canterbury and German research partners, the campaign has been extended through MBIE Endeavour to further improve global climate models and more reliable forecasting of extreme rainfall and drought, strengthening climate resilience research for New Zealand and beyond.

High Altitude and Long Range research aircraft departs to collect atmospheric samples above the Southern Ocean. Image provided by University of Canterbury.

Healthy People and a Thriving Society

Mission statement: New Zealand's societal resilience and health systems face growing pressures from demographic change, persistent inequities, rising demand, and constrained fiscal and workforce resources. Without innovation, these pressures risk undermining affordability, effectiveness, and long-term sustainability. By leveraging New Zealand's distinctive population characteristics, integrated data assets, and pragmatic policy and service environment, science can enable more effective, equitable, and efficient health, social, and economic outcomes, while generating robust evidence and solutions of global relevance.

Investment Profile		
$191m total investment per year by 2029/30	**26%** proportion of total science investment in 2025/26	**22%** proportion of total science investment by 2029/30

Expected contributions from public investment:

- Enable longer, healthier and more participatory lives
- Support smarter, more sustainable communities, social and health systems
- Build inclusive human capital and societal resilience
- Establish New Zealand as a globally recognised and trusted environment for real-world testing
- Translate clinical research and medical innovation into improved diagnosis, treatment, and care

Challenge	Opportunity
Unrealised potential of unique population and cultural knowledge plus longitudinal data assets to inform policy, service and through prevention, implementation and delivery.	Deliver health and social impact by leveraging our unique and diverse population and data to enable earlier effective interventions and disease prevention.
Fragmented innovation pathways, slow translation from research to practice, and limited integration across research, industry, and health systems mean New Zealand's strong transdisciplinary biomedical research capability is not fully realised, constraining its potential to deliver health and economic impact through diagnostics, therapeutics, and technologies.	Deliver social and economic impact through biomedical innovation by advancing new diagnostics, therapeutics, and technologies to improve outcomes, and drive life sciences growth.
Health and social systems face chronic fiscal and workforce constraints, yet innovation has not consistently translated into lower cost, higher impact models of care.	Improve value and efficiency of health and social services to deliver smarter healthcare through better models of care, technology, decision-making, and service delivery.
Rising longevity without comparable gains in healthy life expectancy, including increasing rates of high-burden, preventable health conditions placing pressure on health and social systems and limiting participation in work and community life, particularly for Māori and Pacific populations.	Extend healthy lifespans by reducing the impact of high-burden physical and mental health conditions to extend productive lives, participation in work and society, and sustainable use of health services.
Under utilisation of technology and data driven solutions due to social licence, trust and human centred design challenges that slow adoption across public and private sectors.	Create human-centred innovation to improve the adoption and effective use of new technologies in health, address barriers to trust and acceptance, and resolve people's challenges interfacing with technology.
Structural demographic change, inequality, and weak productivity are straining social institutions and exposing gaps in human capital, highlighting the need for evidence-informed approaches to strengthen resilience, reduce inequities, and lift skills and productivity in a high-value economy.	Improve societal resilience, equity, and productivity by investing in science, innovation, and technology to strengthen social and education systems to meet New Zealand's needs given the changing social and economic conditions in a small, high-value economy.

Spotlights

Identifying dementia decades earlier

A single brain scan taken in midlife can now be used to estimate the risk of dementia and other age-related diseases decades before symptoms appear. Researchers based at the University of Otago and partner institutions tested the new tool on more than 50,000 brain scans from international studies.

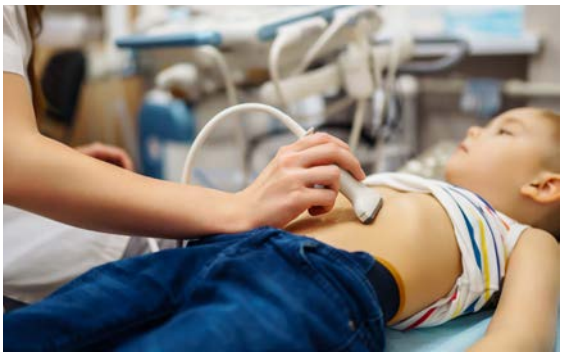
The work also draws on long-term data from the Dunedin Multidisciplinary Health and Development Study, which has followed more than 1,000 people from birth into mid-adulthood. This project therefore highlights the enduring public value of long-term population studies in delivering globally relevant health insights.

Enabled by sustained investment from the Health Research Council, international funders, and MBIE's SSIF Infrastructure, the tool is now being made freely available to researchers worldwide.

A single MRI scan taken in mid-life can help identify early risks of dementia.

Preventing avoidable disease and premature deaths in Māori and Pacific Peoples

Acute rheumatic fever is a serious but largely preventable illness that can lead to rheumatic heart disease, often requiring heart surgery and significantly reducing quality of life and life expectancy. New Zealand has one of the highest rates in the developed world, with Māori and Pacific peoples disproportionately affected.



A portable echocardiogram in schools can help reduce rheumatic heart disease in high-risk populations.

Led by the University of Otago and supported by the Health Research Council, research has shown that portable ultrasound screening in schools can rapidly identify previously undiagnosed rheumatic heart disease. The study found that around 1–2 per cent of children in high-risk populations had undetected disease, enabling earlier, less costly treatment.

Complementary research has also identified strong links between rheumatic fever and preventable social determinants, including housing quality, household crowding, diet, and untreated skin infections. Together, these findings highlight the value of early detection and coordinated action across health, housing, and social policy to improve long-term outcomes.

Investment mechanisms

Once the Reforms are complete, investment decisions for the *Healthy People and a Thriving Society* pillar will be made by RFNZ. The Government has agreed to disestablish the Health Research Council (HRC) and transition its functions across the SI&T and health systems. This change requires legislation, which is currently progressing. Until that legislation is enacted, the HRC will continue to make investment decisions regarding the Health Research Fund. However, these decisions will be aligned with the priorities and opportunities set out in this Plan and the associated Pillar Investment Plan being developed by RFNZ.

Science and research investment mechanisms

The Pillar priorities set out the science and research investments required to lift New Zealand's economic growth and productivity, environmental resilience, and living standards. In parallel, the Government is making changes to how science is funded to ensure future funding mechanisms are clear, efficient, and fit for purpose within the new science system.

RFNZ will advise the Government on the development of Pillar Investment Plans and on science investment mechanisms, including the design of new funds best suited to delivering the investment outcomes set out in this Plan. Once funding mechanisms are established, RFNZ will make independent investment decisions within those settings.

The Minister of SI&T retains responsibility for final decisions on investment mechanisms and will publish Gazette Notices to initiate new investment rounds.

Pillar Investment Plans

RFNZ is now working with sector experts across New Zealand to advise the Minister of SI&T on investment plans for each Pillar. The Pillar Investment Plans will be published in September 2026 and will inform future funding rounds, providing strategic direction for SI&T investment across RFNZ, NZIAT, and the HRC (prior to its transition to RFNZ; **see Figure 6**).

The Pillar Investment Plans will set out specific research priority areas aligned to desired investment outcomes and advise on the appropriate mix of funding mechanisms required to deliver those outcomes. Investment across outcomes within each Pillar will not be evenly weighted. RFNZ will advise on weightings and research priorities, both of which are expected to evolve over time.

The new principles driving future investments

Science investment decisions – whether made by RFNZ or other decision-makers – must demonstrably align with the prioritisation principles recommended by the Council and endorsed by Government (**Figure 7**). The principles will be operationalised through criteria used to assess proposals and will guide all investment decisions across the system.

In addition to excellence, relevance, and delivering value for New Zealand, all proposals will be required to present a clear, credible, and assessable pathway to impact. This requirement applies across the full spectrum of research, including fundamental research and early-stage work, where future impacts are inherently uncertain. In such cases, applicants must articulate plausible routes through which impact could emerge over time.

While impact pathways will vary depending on whether research is economic or public-good in nature, proposals will only proceed if they provide a well-reasoned account of how the research will contribute to meaningful outcomes for New Zealand.

These principles will ensure that investment is maximised for New Zealand's benefit and is delivering greatest value over time. They will guide investments from 2027 and be designed into future funds over the coming year.

Rebalancing mission- and investigator-led funding

Future investment will place a stronger emphasis on mission-led activity relative to contestable, investigator-led funding than is currently the case. This shift will be supported by a portfolio of funding instruments. Future investment mechanisms will continue to include investigator-led research, from basic through to applied research, where they demonstrate pathways to impact.

Across the total SI&T portfolio, this is expected to average a 60/40 split between mission-led and investigator-led funding (compared with the current approximate split of 45/55), as recommended by the Council. However, the appropriate mix may vary between Pillars, based on the outcomes sought and the most effective mechanisms for achieving them. RFNZ will advise on the suitable balance and mix of funding instruments through the Pillar Investment Plans to ensure flexibility and responsiveness to emerging opportunities and sector needs.

The new 2027 Transition Fund

Following advice from RFNZ, the Government has introduced a new 2027 Transition Fund for investigator-led research, marking a significant step toward the future science funding system. The Transition Fund consolidates the Endeavour Fund and Marsden Fund into a single competitive funding stream aligned to the priority Pillars.

The Transition Fund will simplify the funding landscape by establishing one coherent investigator-led fund, delivered through three underlying mechanisms that support the full research pathway. Together, these mechanisms are designed to progress activity from early-stage ideas and the development of research leaders, through smaller projects that test concepts and relevance, to larger, longer-term, and more complex programmes and collaborations that build capability and deliver impact.

The Fund will support research from discovery through to applied activity, across a wide range of disciplines, with an emphasis on impact in line with the prioritisation principles set out in this Plan.

Targeted engagement on detailed fund settings will inform the investment plan and Gazette Notice, to be published in June 2026.

Further design work on future science investment funds awarded by RFNZ

Later this year, RFNZ will advise the Minister of SI&T on future settings for investigator-led and mission-led funding, including arrangements for the 2028 funding round and beyond. This work will ensure that science funds under RFNZ's remit remain fit for purpose and capable of delivering the outcomes the Government expects from the SI&T system. To inform the design of these future settings, RFNZ and MBIE will engage with national and international experts, as well as the wider sector.

Bioengineer working on a 3D stereo camera system. Image by Matt Crawford

Figure 6. The Science Investment Plan guides RFNZ's advice on the development of Pillar Investment Plans. These Plans, in turn, will guide investment decisions by NZIAT, HRC, and MBIE. All investments are expected to contribute to the investment outcomes of each Pillar.

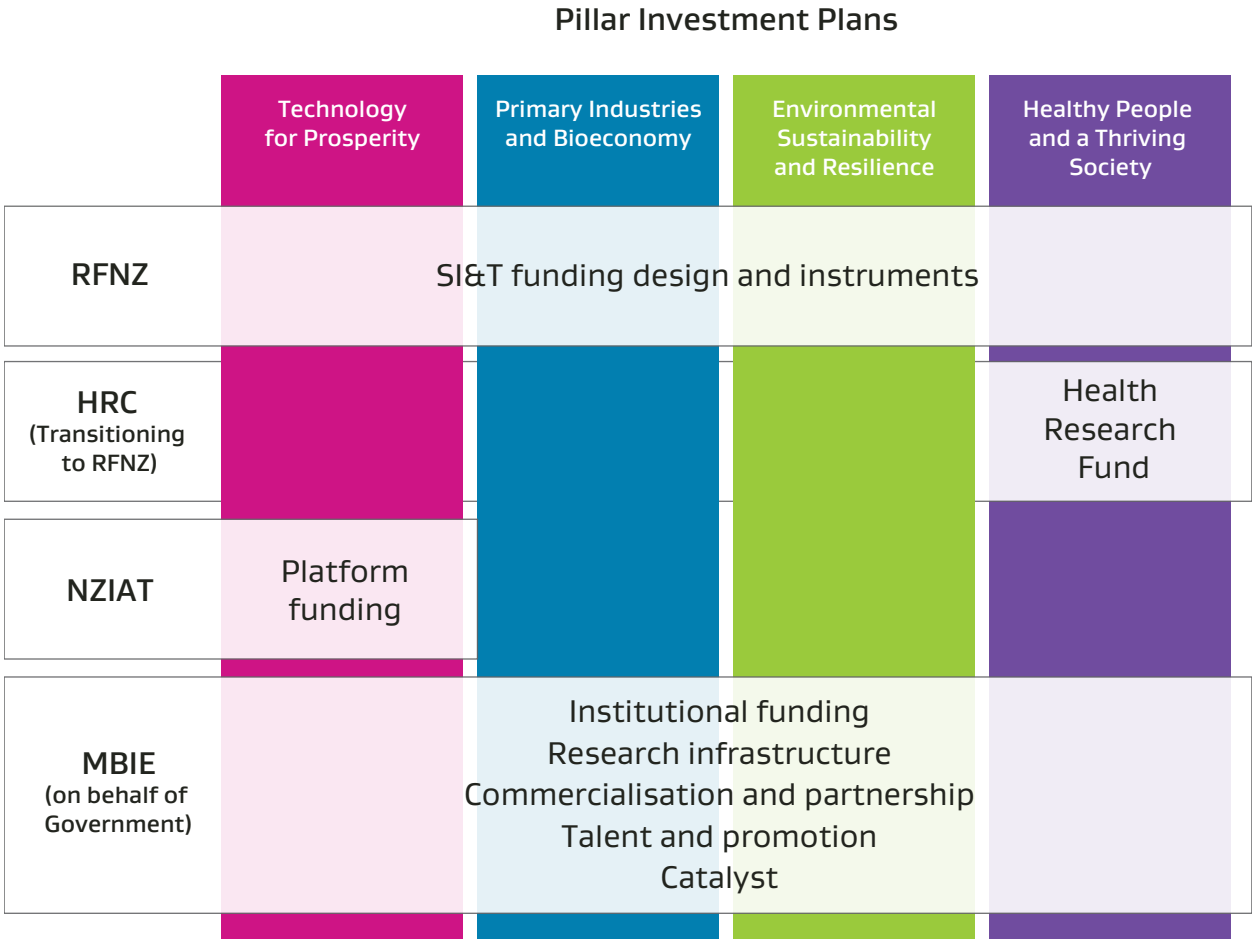
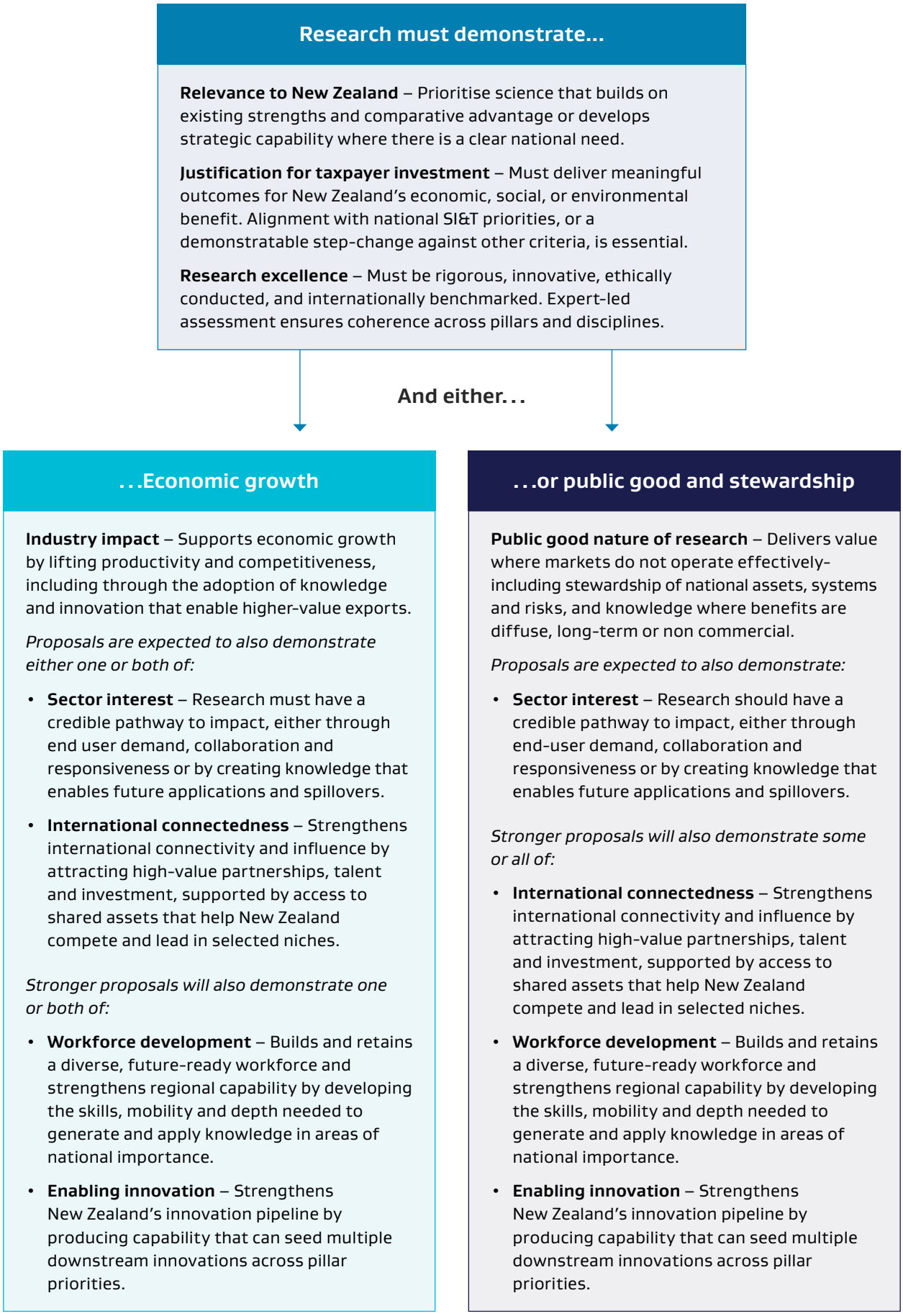


Figure 7. Prioritisation principles to drive investment decisions



Future work

Strengthening system performance through mātauranga Māori

Mātauranga Māori contributes distinctive value to New Zealand through knowledge and practices that support innovation, stewardship, and long-term wellbeing. Realising this value requires investment to focus on areas where mātauranga Māori intersects with the SI&T system, where it is most relevant and can most effectively contribute to innovation. In general, these areas of intersection arise where mātauranga Māori supports empirical inquiry, informs technology development, or contributes to positive societal and economic outcomes, including in areas such as environmental management, health and wellbeing, and resource use.

As Pillar Investment Plans and detailed design of the future funding system progresses, this work will provide clearer guidance on where investment is best directed, and clarify expectations for the appropriate use, stewardship, and protection of mātauranga Māori within publicly funded research, including its treatment in relation to taonga and intellectual property arrangements.

It will also consider how capability-building initiatives, such as the He Ara Whakahihiko Capability Fund, can support connections between science and the Māori economy, while providing a practical test bed for how future capability-building initiatives can be applied and refined in practice.

This work will be guided by Vision Mātauranga and relevant Māori health strategies, recognising their complementary roles in advancing science, innovation, technology, and health outcomes.

Ignition Fund

The Council and RFNZ will consider the design of an Ignition Fund. This funding instrument was recommended by the Council and will enable the rapid deployment of investment for high-risk, high-reward activity where there is an immediate strategic opportunity that New Zealand needs to respond to.

The Ignition Fund will provide agility within the Pillar-based investment model and address a long-recognised gap in New Zealand's SI&T system. Updates on the potential Ignition Fund will be provided once advice has been considered by the Minister of SI&T.

Sustainable funding models for Public Research Organisations and Critical Science Services

Public Research Organisations are a core component of New Zealand's science system. They house enduring research capability, infrastructure, data, and services that underpin government decision-making, regulatory systems, and the protection and stewardship of New Zealand's natural environment, while also helping to manage risks to people and communities from natural hazards.

The Government is considering how best to support sustainable funding models for Public Research Organisations and the Critical Science Services they provide. This includes Nationally Significant Collections and Databases, and the delivery of increasingly detailed and timely information needed for resource and land management, natural hazard planning and monitoring, environmental monitoring, and related public-good functions.

System performance

A high-performing SI&T system requires clear objectives, robust measurement, and a culture of continuous improvement. The introduction of priority Pillars, with clearly defined investment opportunities, enables system performance and national impact to be tracked and measured more effectively. This will provide greater visibility of how science and research investment delivers value for New Zealand.

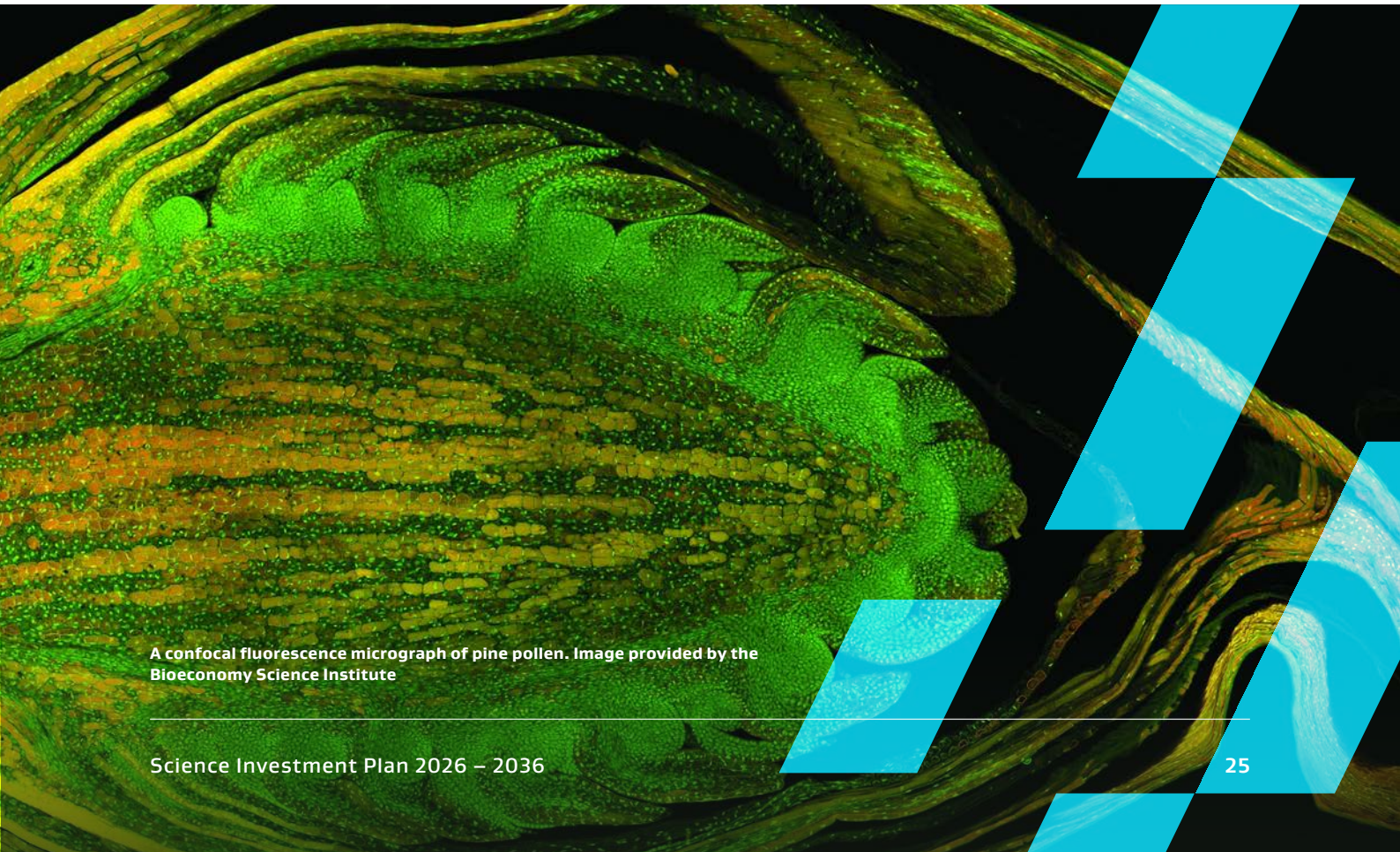
The Council has recommended increased focus on performance measurement and evaluation, with particular emphasis on public value, portfolio health, commercialisation, and knowledge transfer. Government has accepted this recommendation and directed MBIE to work with the Council and RFNZ to develop and apply a system-wide performance monitoring framework reflecting these areas.

Previously, there has not been a system-level performance framework. Under the new approach, performance will now be assessed by monitoring how public SI&T investments contribute to:

- Economic impact and innovation
- Societal, health and environmental outcomes and resilience
- Capability, talent and system health

MBIE, working with the Council and RFNZ, will develop metrics that capture both short- and long-term outcomes and impacts. The performance framework will then be applied consistently across the system, with results informing future investment and policy decisions.

MBIE will also continue its monitoring function for Public Research Organisations, providing advice to the Government on their alignment with priorities, the delivery of critical science services, and organisational performance and health.



A confocal fluorescence micrograph of pine pollen. Image provided by the Bioeconomy Science Institute

Appendix 1: The SI&T Portfolio under Budget 2026

This appendix provides detailed financial information on changes to the SI&T portfolio under Budget 26, including:

- Core science and research appropriations have been restructured to better support the new science system, establishing clearer boundaries for decision-making and Pillar-based funding envelopes.
- Based on Council's advice, investments in advanced technologies science and research will increase by $122 million relative to the 2025/26 baseline.

Existing contracts have been mapped to the new appropriations and will continue without change

All existing contracts will continue without change. While many contracts remain funded through the same or similar appropriations, some have been mapped to the new appropriation structure. This mapping is based on:

- the fund through which the grant was awarded (for example, Endeavour Fund contracts are now paid from the *Priority Research for New Zealand* appropriation)
- the subject of the research, using provided Socio-Economic Objective (SEO) codes, and
- where SEO codes were not provided, an assessment undertaken by MBIE.

This mapping does not affect current contracts. It ensures contracts are paid from the most appropriate appropriation under the new structure and has informed the Pillar baseline model.

Investments are dynamic and will continue to change during the reforms

Science and research investment is inherently dynamic, reflecting the need to respond flexibly to the work of scientists and researchers and to changing sector demands. For example, funding is routinely shifted to subsequent years to account for the timing of funding rounds and changes to project or programme schedules. This type of change accounted for approximately $30 million of funding moving from 2025/26 into the 2026/27 financial year.

While the appropriation amounts for SI&T continue to increase due to growth in uptake of the RDTI, core science and research investment reduces in future years due to past savings initiatives. However, since the reforms were announced in early 2025, no further savings have been required from core science and research funding.

Core science and research funding has been restructured into four appropriations

Budget 2026 creates four science and research appropriations with the following funding horizon displayed in **Table 1**.

Table 1. Science, Innovation and Technology (SI&T) Appropriations from 1 July 2026. MCA refers to a 'MultiCategory Appropriation'

		Millions $			
Appropriations		**2026/27**	**2027/28**	**2028/29**	**2029/30**
Priority Research for New Zealand MCA	Technology for Prosperity	65.8	108.3	126.0	135.2
	Primary Industries and Bioeconomy	95.6	71.0	62.4	60.0
	Environmental Sustainability and Resilience	120.2	90.6	76.6	69.8
	Healthy People and a Thriving Society	41.6	35.1	35.1	39.6
Marsden Fund		73.5	70.1	55.8	55.8
Science System Investments MCA	Institutional Funding	241.2	206.6	197.6	262.5
	Research Infrastructure	74.4	63.5	61.1	61.1
	Commercialisation and Partnership	59.0	18.3	18.3	18.3
	Talent and Promotion	42.0	41.9	41.9	41.9
	Health Research Fund	108.1	92.2	81.0	81.0
	Catalyst Fund	41.6	32.3	21.8	21.8
New Zealand Institute for Advanced Technology Limited MCA	Advanced Technology Operations	12.8	10.5	12.1	3.7
	Advanced Technology Research Platforms	10.0	24.0	53.0	-
	Enabling Industry Innovation and Research and Development	16.9	15.8	15.8	15.8
Total Science and Research Funds		**1,002.7**	**880.3**	**858.5**	**866.5**
Other SI&T Funding Streams		193.7	183.5	184.3	185.3
Total SI&T Appropriations		1,196.4	1,063.8	1,042.8	1,051.8
Plus RDTI Appropriation		703.7	740.9	799.6	852.6
TOTAL		**1,900.1**	**1,804.6**	**1,842.4**	**1,904.4**

Core science and research funding – four appropriations

1) The *Priority Research for New Zealand MCA* contains all funding within the remit of Research Funding New Zealand's decision making. It is organised into the four priority Pillars so that the funding envelope for each is clear and explicit. The funding allocations over the four-year period are designed to make sure that the portfolio as a whole meets the $122 million a year lift in advanced technology research. Funding within this appropriation is drawn from: Endeavour Fund; He Ara Whakahihiko Capability Fund; a transfer from the Public Research Organisation Strategic Science Investment Fund (SSIF) contracts; and a transfer from the Health Research Fund.

2) The *Marsden Fund Appropriation* has been retained and will continue to fund existing Marsden Fund contracts already administered by the Royal Society and MBIE. The 2026 investment decisions will be the final awards funded through this appropriation. Following the decision to consolidate the Endeavour and Marsden Funds into a new investigator-led fund, uncontracted funding will shift to the *Priority Research for New Zealand MCA*. This is expected to occur at the October Baseline Update.

3) The *Science System Investments Appropriation* contains funding that is not awarded by RFNZ but is administered by MBIE or other bodies such as the Royal Society and HRC.

Funding in this appropriation will also change through 2026 and future years:

- Future-years funding for the *Advanced Technology Platforms* and organisational funding (i.e. for 2029/30) will shift from the *Institutional Funding Category* to the *New Zealand Institute for Advanced Technology Ltd MCA* at the October *baseline update*.
- The *Institutional* and *Research Infrastructure Categories* may change as a result of policy work on the sustainable investment model for Public Research Organisations and critical science services, as well as upcoming infrastructure advice from the Council.
- *The Health Research Fund* will shift to the *Healthy People and Thriving Society* category in RFNZ's *Priority Research for New Zealand MCA* as part of the Reforms. This reflects the Government's decision to disestablish the HRC and distribute its functions across the SI&T and health systems. Timing of this shift depends on when new Research, Science, Innovation and Technology (RSI&T) legislation comes into effect.

4) *The New Zealand Institute for Advanced Technology Limited MCA* contains all funding under the remit of NZIAT. As noted above, ongoing funding for this Public Research Organisation will be shifted at the October Baseline Update.

Image provided by Measurement Standards Laboratory

Other science, innovation and technology funding streams includes initiatives such as the Game Sector Development Rebate, business-facing grants and loans, the Gene Technology Regulator, departmental funding and more.

Policy Advice and Related Services for Ministers is not included in total SI&T funding as this appropriation is the responsibility of the Minister for Economic Growth. This funding is about $20 million a year.

Lifting advanced technologies by $122 million by 2029/30

The following steps were taken to reallocate SI&T funding to meet the Council's recommendation of lifting investment in advanced technologies over the next three years:

1) **Reconfirm the baseline:** The *Technology for Prosperity* baseline was re-set at 2025/26 (compared to the 2024/25 financial information the Council was working to). This enabled the modelling to use the most up-to-date figures and financial information, and include the $231 million over four years of committed to the New Zealand Institute for Advanced Technology in the $122 million a year lift.

2) **Map full portfolio of core science and research funds to Pillars.** Researcher-provided SEO codes were used where possible (around 40 per cent of the mapping) to map science and research contracts. Information on SEO codes was also provided by the Royal Society and the HRC. A peer-review process was used where SEO codes were not provided (in around 60 per cent of contracts). This involved experts such as MBIE's Chief Science Advisor, fund managers and others matching research to the four Pillars.

   All contracted funding is unchanged and is built into the model as unchanged. This step also accounted for science system supports that did not map to a Pillar, for example, commercialisation which assumed a 25 per cent split across each Pillar.

   These two steps:

   - set the baseline split of research funding across Pillars
   - confirmed the amount of contracted funding vs uncontracted funding and therefore what was static in the model across financial years vs how much was flexible.

3) **Account for direct funding shifts in the model.** Policy decisions were made to make three 'direct' shifts to *Technology for Prosperity* funding, in line with the Council's advice to move more funding to mission-led mechanisms. These were:

   a. up to $27 million from Public Research Organisation Strategic Science Investment Fund (SSIF) funding, phased in over a four-year period

   b. $31 million from Endeavour fund from 2027/28 onwards

   c. $10 million from the Health Research Fund from 2027/28 onwards.

4) **Remaining uncontracted, flexible funding was then used to make up the remainder of the shift needed.** This resulted in the splits across Pillars to meet the Council's target of $122 million uplift in advanced technology funding by 2029/30 relative to 2025/26 baselines.

   These two steps:

   - Ensured the Government Budget delivered the $122 million lift in advanced technologies by 2029/30 compared to 2025/26 baselines.

5) **Ongoing modelling.** Ongoing modelling and reporting are being put in place to make sure every science and research decision now helps meet the advanced technologies investment target. Examples of this are transfers between the 'Other SI&T funding streams' to 'Core science and research' part of the appropriations, as has occurred in Budget 2026, and where the Marsden Fund 2026 round sits across the pillars (noting that targets for this have not been set).

   Next step:

   - MBIE will continue to model and monitor the ongoing impact of funding awards and financial decisions on the 2029/30 target track, providing advice to the Minister of SI&T, the Council and RFNZ on its delivery.

Appendix 2: Government response to Council recommendations

The Council's first priorities report[7] was published on 1 April 2026. The Council has since provided further advice detailing priorities for each pillar. A list of the Council's main recommendations, and the Government's response, are below in **Table 2**.

Over 2026, the Council has begun to consider workforce capability, career pathways, talent attraction and opportunities for greater coordination across national research infrastructure needs. They will also consider the potential Ignition Fund, alongside RFNZ.

Table 2. Council priorities report recommendations and Government's response

The Council recommends...	Government response
Develop a mission-led SI&T framework	
Structuring investment around four thematic Pillars: • Primary Industries and Bioeconomy • Technology for Prosperity • Environmental Sustainability and Resilience • Healthy People and a Thriving Society	Recommendation accepted alongside further advice from the Council providing further definition. As reflected in this Science Investment Plan, the priority Pillars now form the backbone of New Zealand's science system.
Adjusting the funding balance within these Pillars to be about 60 per cent mission-led (aligned to national priorities and outcomes) and 40 per cent investigator-led (competitively funded, curiosity-driven research). This replaces the current approximate 45/55 per cent balance and positions New Zealand alongside leading Small Advanced Economies.	RFNZ will advise on the appropriate mix of mission vs contestable per Pillar as Pillar Investment Plans are developed. Pillar Investment Plans will be agreed by the Minister of SI&T and published in September 2026.
Significantly increasing focus on measuring inputs, outputs and impact within this Pillar framework, with clear metrics for public value, portfolio health, commercialisation, and knowledge transfer. This capability will promote greater flexibility and effective allocation of resources.	Recommendation accepted. Officials have been directed to work with the Council and RFNZ to establish a fit-for-purpose monitoring and evaluation framework and action it.
Redirect resources for outsized impact	
Reallocating $122 million (about 15 per cent of the available $839 million of SI&T funding administered by the Ministry of Business, Innovation and Employment) over two to three years for investment in areas of advanced technologies. This would deliver an 88 per cent funding increase to the *Technology for Prosperity* Pillar relative to current investments. A phased approach provides time for the system to adapt while maintaining high-quality outcomes.	Recommendation accepted and delivered through Budget 2026. MBIE will monitor the impact of future decisions on achievement of the target to ensure the track toward the $122 million lift in advanced technologies research is maintained through to 2029/30.

7 Report to the Prime Minister: Prioritisation in New Zealand's Science, Innovation and Technology system (2025). Prime Minister's Science, Innovation and Technology Advisory Council.

The Council recommends...	Government response
Use Pillar-based priorities to signal change	
Pillar priorities should be used as signals to steer investment within the system.	Recommendation accepted and reflected in the Science Investment Plan and Budget 2026.
Using signals to guide areas of de-prioritisation. These signals include: • transition potential (areas where public investment can shift to the private sector) • limited future impact (areas unlikely to deliver significant benefits or workforce needs) • strategic misalignment (areas less aligned with national priorities or lacking global relevance).	Recommendation accepted. The Council and MBIE will continue to advise Government on delivery of our priorities, ensuring that they remain reflective of where our national opportunity and competitive advantage lie (including where de-prioritisation is needed).
Flexible funding	
Establishing a flexible 'Ignition' fund for responding rapidly to limited time and unforeseen opportunities, supporting bold, high-risk high-impact science, and/or surging behind emerging growth sectors driving new markets.	The Council and RFNZ will provide further, more detailed advice to the Government on the proposed Ignition Fund during 2026 for Government consideration.
The Government remain open to and continue to support alternative funding models to support emerging high-growth sectors, including redeemable contingent loans.	RFNZ will advise on the appropriate fund design for New Zealand's science and research, including alternative funding models identified by the Council.

Appendix 3: Implementation and transition plan

Research Funding New Zealand

By 2030, RFNZ will be primarily responsible for core science and research funding decisions, including:

a. Investigator/discovery led investments

b. Strategic mission platforms

c. Workforce/talent

d. Vision Mātauranga Funds

Existing delivery arrangements will remain in place or be transitioned to MBIE as the funds are transferred to RFNZ. This includes the Marsden Fund and Health Research Fund.

RFNZ will also be responsible for translating the priorities set out in the SIP into Pillar Investment Plans to guide funding and capability decisions. The Pillar Investment Plans will ensure alignment with relevant Government strategies, including *Going for Growth* and the Health Research Strategy, and are due for delivery in September 2026.

Ministry for Business Innovation and Employment

By 2030, MBIE will be responsible for SI&T funding decisions, including:

a. Strategic Science Investment Fund

b. Infrastructure

c. International Science Partnerships

d. Science Promotion

e. SI&T Business-facing funds

New Zealand Institute for Advanced Technology

From 2026 onwards, the board of the NZIAT will administer strategic investments and funding processes and platforms in advanced technologies.

Transition timelines

2026

- The RSI&T Bill is introduced to the House, including provisions that will enable the transfer of funding decisions to RFNZ.
- In September, the Minister will publish the Pillar Investment Plans and alongside updated sector guidance.
- The 2027 Transition Fund opens, seeking applications aligned to the Pillars and their priorities.
- RFNZ provides initial advice on the design of new investigator-led and mission-led investment mechanisms.

2027 – 2029

- The Minister reviews the SIP and Pillar Investment Plans to incorporate changes since their initial development, including refined priorities, legislative changes, new Government direction, or Budget updates.
- In 2027, RFNZ will make decisions on the 2027 Transition Fund, aligned to the Pillar priorities.
- From 2028, new investigator-led and mission-led investment mechanisms will be introduced and investment decisions will align to Pillar Investment Plans.

2030

- Full implementation of funding shifts and signals across the SI&T system is in place.
- Pillar Investment Plans are operational and updated on a regular basis to reflect evolving priorities and system performance.
- A system-wide review and refresh of the SIP and Pillar Investment Plans is undertaken to ensure continued alignment with national objectives and emerging opportunities.

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

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New Zealand Government