Briefing for the Incoming Minister for Space

April 2026

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

MINISTRY OF TRANSPORT
TE MANATŪ WAKA

Te Kāwanatanga o Aotearoa
New Zealand Government

Contents

1. Welcome to the Space portfolio

1. As Minister for Space, your focus is on supporting the growth of New Zealand's space and advanced aviation sectors, in line with the objectives set out in the New Zealand Space and Advanced Aviation Strategy to double their value by 2030. The space and advanced aviation sectors are well placed to support New Zealand's broader economic objectives. They are highly productive, export and R&D intensive, employ a highly skilled workforce, and operate in global markets experiencing strong growth.
2. You are the regulatory decision-maker for New Zealand's world-leading space regime; the portfolio's most direct current lever to support sector growth.
3. This briefing provides you with:
    a. advice on the opportunities and challenges facing the space and advanced aviation sectors
    b. advice on a small number of priority areas that we recommend you focus on over the next six months
    c. background information on the scope of the Space portfolio
    d. information on your regulatory responsibilities, as the decision maker under the Outer Space and High-Altitude Activities Act 2017.
4. Further advice will be provided to you as needed, focusing on specific topics in greater depth.

1.1 The Space portfolio covers both space and advanced aviation sectors

5. The Space portfolio covers both space and advanced aviation activities. The space sector includes activities across the full value chain, from launch and satellite operations through to the downstream use of space data and services.
6. Advanced aviation is an all-encompassing term that refers to any aviation capability that has not been certified or approved before, is novel and is not routine. It includes but is not limited to uncrewed aircraft. The two sectors are closely linked in practice, with overlapping technologies, firms and challenges.
7. The Ministry of Business, Innovation and Employment (MBIE) supports the space aspects of the portfolio, alongside the Ministry of Transport (MoT) supporting advanced aviation.

2. Portfolio context

2.1 Our space and advanced aviation sectors can support an economic shift towards more advanced technology exports

8. New Zealand needs highly-productive, R&D-intensive, export-focused industries to drive overall productivity growth and economic diversification. The space and advanced aviation sectors were identified as a key growth opportunity prior to the last election. Both sectors create high-skill, high-wage jobs, are export and R&D intensive, and operate in global markets with strong long-term growth prospects.

2.2 We already have recognised strengths to build from

9. New Zealand is a credible global space actor, anchored by established orbital launch capability through Rocket Lab. New Zealand is among fewer than 15 countries with orbital launch capability, hosting the third most frequent orbital launches in the world after the US and China.

10. Rocket Lab employs over 700 staff in New Zealand, many of them highly skilled. It has catalysed further sector growth, including new start-ups created by former employees and supported by founder and CEO Sir Peter Beck's investment.

11. The sector is also supported by New Zealand's airspace, geography, and regulatory settings which make it an attractive location for space and advanced aviation activities.

12. New Zealand has grown a broad range of capabilities across both space and advanced aviation, including companies such as Dawn Aerospace which builds green chemical satellite propulsion systems, in-space refuelling capabilities, and a reusable spaceplane, Kea Aerospace which is developing a solar-powered, remotely piloted aircraft designed to operate in the stratosphere for months at a time and SYOS which designs and manufactures advanced uncrewed vehicles across land, air and sea – including heavy-lifting drones.

2.3 And our sectors are growing in economic value

13. Between 2019 and 2024, space sector revenue grew 53 percent, contributed $2.68 billion to the economy and supporting around 17,000 jobs, with nearly 29 percent of revenue coming from exports. The advanced aviation sector, which overlaps with the space sector, contributed around $480 million and 3,700 jobs in 2024.

2.4 We know that the global space sector is growing fast and competition for launch is intensifying

14. The global space economy was valued at around US$613 billion in 2024 and is expected to exceed US$1 trillion by the mid-2030s, driven by national security demand, satellite-enabled services, and falling costs to access space. Governments and

commercial customers increasingly rely on private providers, intensifying competition to attract and retain space companies and activity.

2.5 New Zealand's competitive advantage is not guaranteed

15. Many countries are significantly increasing investment in aerospace, with particular interest in establishing sovereign launch capability, using subsidies, government procurement, tax incentives, and public infrastructure to attract firms.

16. While New Zealand has strong foundations, including a responsive regulatory regime, favourable geography, and clear skies; other jurisdictions are becoming more attractive, and we cannot provide financial incentives in the way other countries are. Without continued focus on maintaining and building on our advantages, there is a risk that launch activity and other high-value aerospace capabilities could shift offshore, eroding the sector over time.

3. Strategic choices for the Space portfolio

3.1 The Government's strategy sets a clear sector growth ambition

17. The New Zealand Space and Advanced Aviation Strategy sets the Government's ambition to double the value of the space and advanced aviation sectors by 2030. The Strategy identifies five objectives that together underpin sector growth:

    a. *Develop sovereign space capabilities with a national mission*, to anchor capability in New Zealand and support government use.

    b. *Establish a world leading regulatory environment*, recognising regulation as a core competitive advantage.

    c. *Unlock trade and investment,* to support access to international markets and capital.

    d. *Build an aerospace capable workforce,* to sustain growth in high skill, high wage jobs.

    e. *Accelerate aerospace innovation,* to maintain international relevance and improve competitiveness.

18. These objectives reflect the factors that enable the growth of space and advanced aviation sectors internationally. Progress across all five areas is required over time to support sustained sector growth.

3.2 However delivering on the Strategy requires choices about focus, risk and influence

19. Delivering on the Strategy involves judgement about priorities, where cross-government influence will add the most value, and where greater risk could be taken. This section presents choices about where you may wish to focus your effort to maximise impact.

20. Note that not all levers needed to deliver the Strategy sit within the Space portfolio. Several objectives rely heavily on decisions being made in other portfolios, including Defence, Science, Innovation and Technology, Trade and Investment, Transport, and Immigration.

3.3 We recommend three key areas of near-term focus

21. Officials recommend that you focus on areas with the highest impact in the near term, that have decisions that are time critical, and where inaction would carry a material risk to New Zealand's competitive position.

22. In particular:

    a. **Sovereign space capability development**, the Defence Capability Plan 2025 identifies investment in space capability for the first time, creating a significant opportunity to build sovereign space capabilities while supporting the development of New Zealand's domestic space sector. There is scope for a portion of this investment to be directed towards New Zealand suppliers, strengthening both defence outcomes and local sector capability. Officials are already working closely with the Defence portfolio on this opportunity, and continued cross-portfolio engagement will help to maximise the benefits of this new investment. Further detail is set out in section 3.4.

    b. **The regulatory system** is the most direct lever within the Space portfolio and a core source of New Zealand's competitive advantage. Our space regulatory system is amongst the best in the world, but other countries are catching up. Reform is necessary to retain our competitive edge. We are currently working to update and modernise our regulatory system and will be asking you to make policy decisions on the future direction. This is discussed further in section 3.5.

    c. **Access to international markets,** International relations remains critical to sector success. Ongoing work is required to address barriers to trade and ensure market access for New Zealand companies. More detail is provided in section 3.6.

23. Other Strategy objectives, including workforce and broader innovation activity, remain important but primarily require oversight and support in the short term, rather than new ministerial decisions before the election.

3.4 We need sovereign space capability to grow the sector

We have a time-limited economic opportunity to leverage increased Defence spending

24. New Zealand's government investment in space is low by international standards. The Government can become an "anchor customer" for domestic space companies, lifting commercial confidence, investor interest, and harnessing an opportunity to signal our capabilities to international partners. It opens doors for New Zealand companies overseas if they can say that they have worked, or are working with, the New Zealand Government.

25. The 2025 Defence Capability Plan outlines significant new planned investment, including for space. In addition, previous ministerial direction emphasised the development of a defence industrial base in New Zealand, set out in the Defence Industry Strategy. These developments offer opportunities to meet Defence needs, while developing New Zealand's space sector and broader economy and supporting New Zealand's economic and security resilience.

26. To maximise the mutual benefits across the Defence and Space portfolios of investment in Defence space capability and innovation through the Defence Technology Accelerator, close collaboration is needed across the two portfolios, particularly as Defence works to identify the space capabilities needed.

In the medium term we also hope to establish a national space mission

27. We have pilot initiatives underway to build the capability of the New Zealand sector to participate in such a mission (Kiwi Space Activator) Confidential advice to Government [redacted] We will provide you with further advice on this.

3.5 Our regulatory system must remain cutting edge to remain competitive

We are updating the Outer Space and High-Altitude Activities Act (OSHAA) which regulates Space

28. New Zealand's regulatory system is the Space portfolio's most direct lever to support sector growth and is a key competitive advantage. The Outer Space and High-altitude Activities Act (OSHAA) is designed to support industry development while ensuring safe and secure operations, meeting international obligations, managing liability, and protecting national security.

29. New Zealand's regulatory settings, particularly the Minister's ability to recognise overseas licences, have been central to sector growth; recognising the US Federal Aviation Authority (FAA) launch licence has enabled Rocket Lab to operate here without New Zealand needing to build equivalent technical capability.

30. New Zealand must stay ahead of global regulatory innovation to maintain its competitive edge, particularly as we do not have the financial incentives available in larger economies to attract space activity Free and frank opinions This means that New Zealand needs the fastest regulatory regime we can provide while still ensuring effective management of risks.

We are also updating Civil Aviation Rules that regulate Advanced Aviation

31. Civil Aviation Rules are made by the Acting Minister of Transport under the Civil Aviation Act 2023. These rules regulate all aviation, including advanced aviation.

32. The Civil Aviation Authority (CAA) and the Ministry of Transport are finalising a two-year programme to modernise New Zealand's civil aviation rules. Components of the programme that relates to advanced aviation include aligning drone regulation with international best practice, improving oversight of uncrewed aircraft system aerodromes, and reviewing rules for agricultural drone use. In parallel, the Ministry is developing a future airspace and traffic management approach to support the increasing presence of uncrewed aircraft. This approach will draw on emerging international models to create clear, modern settings that will enable innovation and unlock economic opportunities in the advanced aviation sector.

33. The Government changed civil aviation rules last year with the goal of creating a world-class regulatory environment for rapid testing and deployment of advanced aviation technologies. This included introducing Civil Aviation Rule Part 107[1], a world-first rule part that removes significant regulatory barriers and enables "regulatory sandboxes" - safe, controlled environments for testing new aviation technology. Tāwhaki National Aerospace Centre is now the first site in the world to be able to offer a sandbox for R&D and prototype testing. This is attracting interest from international companies.

34. Other updates simplified processes and clarified permissions for drone operations. Some low-risk activities that previously required approval by the CAA can now be carried out without CAA approval.

3.6 We also need to unlock trade and investment to grow the sector

35. International trade and investment in New Zealand aerospace companies is a key driver of sector growth, supported through trade missions and participation in major global aerospace events. It is also supported by the Government working closely with international partners to promote cooperation and reduce barriers to trade, including restrictive export controls and domestic sourcing requirements.

[1] Research and Development Organisation Certification

Our relationship with the US is particularly important to the development of our space sector

36. The US is the largest space market in the world, accounting for nearly 45 percent of the global space market, and its government is one of the largest customers of space products and services, with the US space technology market estimated to exceed US$237 billion in 2026. It is a key export destination for our local companies. Our Technology Safeguards Agreement with the US enables sensitive technology transfer and was leading edge when it was signed ten years ago; but other countries have now caught up or even overtaken us.

International relations

3.2 Workforce development and enabling innovation are important but less time sensitive

39. Two other focus areas in the New Zealand Space and Advanced Aviation Strategy – workforce development and support for innovation are also important for sector growth. However, for maximising impact over the next six months, we would recommend prioritising the areas outlined above.

We have workforce initiatives Confidential advice to Government

40. To continue growing the New Zealand aerospace sector we need to develop our own local talent, as well as attract talented and skilled people from overseas. The Space portfolio has two initiatives to grow and inspire our people to work in the Space sector.

41. Since 2019, the New Zealand Space Scholarships have enabled postgraduate internships at leading organisations such as NASA's Ames Research Center and the Jet Propulsion Laboratory. The Prime Minister's Space Prize was introduced in 2024, providing recognition for professional excellence and a prize for young people. Confidential advice to Government

42. Beyond these initiatives, broader workforce development initiatives focused on immigration and education settings will be needed to address the supply of skilled workers, which is currently a rate limiting factor for the growth of the space and advanced aviation sectors.

There are opportunities to advance space and advanced aviation innovation

43. New Zealand's aerospace sector must keep delivering innovative, high-value technologies to stay competitive. The Space Agency works across MBIE, other agencies, and international partners to support aerospace innovation. There are opportunities you may wish to pursue to work with the Ministers for Science, Innovation and Technology to embed space-relevant themes into research programmes, including through the New Zealand Institute for Advanced Technology (NZIAT).

4. Risks and topical issues

Tāwhaki Joint Venture (JV)

44. The Tāwhaki JV was established in 2021 as a partnership between the Crown and two Rūnanga, Te Taumutu and Wairewa. The dual purpose of the JV is to restore land at Kaitorete Spit and attract a third-party investor to develop a commercial aerospace centre. While land restoration has progressed, the JV has had to take on the commercial aerospace development itself after failing to secure an external investor.

Confidential advice to Government

MethaneSAT

47. MethaneSAT was the New Zealand government's first active involvement in a space mission. New Zealand partnered with MethaneSAT LLC and other international and local partners to deliver high-precision methane detection from space. Launched in March 2024, it operated until June 2025, when it lost contact while under US-based mission control. There has been ongoing media interest in this.

48. An MBIE report found New Zealand's investment was sound, the failure arose from components outside New Zealand's control and within normal mission risk. The sensor performed exceptionally well, producing valuable data already in use.

49. The report also highlights the advantages of international partnership, which reduced financial risk and enabled New Zealand to participate in a sophisticated mission at a far lower cost than a sovereign build. It notes both the mission's tangible benefits and challenges around transparency, governance, and public communication.

Commercial remote sensing

50. Remote sensing satellites acquire information about the earth by scanning it, for example using cameras. Remote sensing data is used for a wide range of civil purposes including search and rescue, agriculture, transport, mapping, and resource management. The data also has uses for defence and intelligence-related customers.

51. There has been media and parliamentary interest in, and concern about, the defence and intelligence applications of remote sensing payloads launched by Rocket Lab.

52. MBIE carries out a national interest risk review in relation to all payload permit applications and has not recommended any be declined to date.

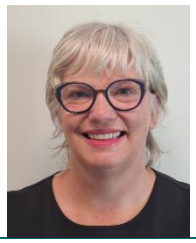
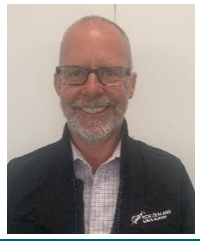
Confidential advice to Government

5. How MBIE and MoT assist you

54. We engage with you primarily through the following mechanisms:
    a. Meetings between you, MBIE and MoT officials, based on your preference.
    b. Weekly update reports on key policy and operational issues in the portfolio.
    c. Regular briefings providing you with advice.
55. We are happy to adjust any of these based on your preferred ways of working.

Key MBIE officials

56. The New Zealand Space Agency is a business unit within MBIE that serves as the government lead for space policy, regulation and sector development. The table below sets out the key MBIE officials who will support you in this portfolio.

Contact	Role	Contact details
Nic Blakeley 	Chief Executive and Secretary for Economic Growth	Privacy of natural persons
Anna Clark 	Acting Deputy Secretary, Labour, Science and Enterprise	Privacy of natural persons
Iain Cossar 	General Manager, Space and Head of the New Zealand Space Agency	Privacy of natural persons

Key MoT officials

57. MoT is the government lead for aviation policy. The table below sets out the key MoT officials who will support you in this portfolio.

Contact	Role	Contact details
Brad Ward 	Acting Secretary for Transport and Chief Executive	Privacy of natural persons
Ruth Fairhall 	Deputy Chief Executive, Policy Group	Privacy of natural persons
Siobhan Routledge 	Director, Aviation	Privacy of natural persons

Key CAA officials

58. The table below sets out the key CAA officials who will support you in this portfolio.

Contact	Role	Contact details
Kane Patena 	Director of Civil Aviation and Chief Executive	Privacy of natural persons
John Kay 	Deputy Chief Executive, System, Strategy and Policy Group	Privacy of natural persons
Catherine MacGowan 	Deputy Chief Executive, Aviation Safety Oversight	Privacy of natural persons

Annex 1: Portfolio responsibilities

Legislative responsibilities

As the Minister for Space, you are the decision maker for applications under the Outer Space and High-Altitude Activities Act 2017. The table below sets out the types of licences and permits under OSHAA. Further information on your regulatory role is provided in Annex 1.

Type of authorisation	Definition
Launch facility licence	A licence to launch a launch vehicle, including all other facilities necessary to launch a launch vehicle (for example, mission control facilities) from a fixed or mobile facility.
Launch licence	A licence to launch a vehicle, the whole or any part of which reaches or is intended to reach outer space or carries and supports the launch of (or intends to support the launch of) a payload.
High-altitude licence	A licence to fly any aircraft or any other vehicle that travels, is intended to travel, or is capable of travelling to higher than flight level 600 (around 60,000 feet) or the highest upper limit of controlled airspace under the Civil Aviation Act 2023.
Payload permit	Permits an object to be carried or placed, or is intended to be carried or placed, into outer space.
Ground Based Space Infrastructure Authorisation	Authorises the operation of equipment located on Earth that communicates with, controls, or monitors space objects.

Space activity has implications for New Zealand's national security and national interest

The National Security Strategy identifies space security as a core issue, and under OSHAA the Government Communications Security Bureau (GCSB) and New Zealand Security Intelligence Service (NZSIS) conduct a national security assessment for every space licence or permit issued for activities in New Zealand or to New Zealanders operating overseas. This process normally supports consultation between the Minister for Space and the Minister responsible for the intelligence agencies.

Regulatory decision-making for space and high-altitude activities

Overview of payload permitting

Under OSHAA, you are the decision maker for all permits, licences, and authorisations, with payload permits making up the bulk of your regulatory workload. To date, 150 payload permits have been granted - some covering multiple payloads - with most launched from Mahia, although OSHAA also regulates payloads launched overseas by New Zealanders. MBIE has not recommended declining any application to date, and no Minister has chosen to decline a permit contrary to Ministry advice.

Process

MBIE aims to assess payload permit applications as quickly as possible while ensuring risks are well managed. We have recently approximately halved processing times by streamlining our processes, resulting in an average timeframe of about six weeks. This compares well internationally. Applications involving novel technologies, complex policy issues, or delays in receiving orbital debris mitigation information can take longer.

The process MBIE follows is to assess an application for completeness, accept it when complete, request any further information needed, and refer it to the GCSB/NZSIS for a national security assessment, as required under OSHAA. MBIE then assesses the application against the statutory criteria, consults MFAT on higher-risk applications, and briefs you with a recommendation and any proposed conditions. Following consultation with the Minister responsible for the NZSIS and GCSB, you make the final decision, and MBIE communicates the outcome to the applicant.

MBIE publishes quarterly summaries of approved licences and permits.

New regulations for ground-based space infrastructure are expected in April and MBIE will then open applications for authorisations. MBIE will consult the NZSIS/GCSB on any national security risks before advising you on each application. All operators must be authorised before the current transitional period ends on 29 July 2026.

Launch and high-altitude licence applications are less frequent. Previous Ministers have granted two launch licences, both to Rocket Lab, and nine high-altitude licences.

Aircraft regulated by the Civil Aviation Authority

The Civil Aviation Authority (CAA) is responsible for the safety of all aircraft, including high-altitude vehicles, meaning these activities fall under both CAA and MBIE oversight. As the sector grows, more activities will require coordinated regulation. Under OSHAA, you must receive confirmation from the Director of Civil Aviation that any aircraft seeking a high-altitude licence holds all appropriate permits, and you must consider any safety advice the Director provides. MBIE's high-altitude licence briefings cover these points.

Annex 2: Funding for the Space Portfolio

The New Zealand Space Agency was established within MBIE in 2016 to lead on space regulation, policy and sector development. The $3.75 million departmental baseline allocated for Space functions remains unchanged from 2016. Confidential advice to Government

The Government established a standalone Space portfolio in 2023, and soon after, a small amount of one-off non-departmental funding ($4.423 million) was secured through reprioritisation. Confidential advice to Government

The table below sets out the remaining non-departmental funding available for the Space portfolio. Non-departmental funding for the 2025/26 financial year is fully allocated.

	2026/27 FY $millions	2027/28 FY $millions	Total $ millions
2026 PM Space Prizes	Commercial Information		
Kiwi Space Activator			
Confidential advice to Government			

The Catalyst Fund, a Science, Innovation and Technology portfolio fund has funded international space research partnerships. Current Catalyst funded space partnerships are a $9 million partnership with NASA, announced in August 2022 and a $6 million partnership with Australia's SmartSat Cooperative Research Centre, announced in January 2024.

Annex 3: Key decisions sought in the next month

The table below provides you with a summary of key decisions

Topic	Description	Timing
Confidential advice to Government		
Ground-based space infrastructure regulations	Seeking your agreement to a proposed amendment to the Outer Space and High-altitude Activities (Licences and Permits) Regulations to include regulations on ground-based space infrastructure.	Early April for your agreement to Ministerial consultation Cabinet Legislation Committee on 30 April
Confidential advice to Government		