



## **Submission of Civic Trust Auckland**

### **Overseas Investment (National Interest Test and Other Matters) Amendment Bill**

Civic Trust Auckland (CTA) is a non-profit public interest group, formed in 1968, with activities and interests throughout the greater Auckland region.

The aims of the Trust include:

- Protection of natural landforms
- Preservation of heritage, in all its aspects
- Encouragement of good planning for the city and region.

**(a)** CTA recognises the importance of foreign investment to New Zealand, to assist with economic growth. We also recognise the potential risks, which should be managed, to a great extent, by the Overseas Investment Act.

**(b)** Our major concerns with the proposed Bill are around the protection of our country's natural resources and of our historic heritage.

**(c)** Our views on good planning include public participation and due process in decision making. Treasury have stated that the time allowed for review, consultation, and submissions on this Bill has been insufficient. There has been no engagement with iwi over the Bill and there is no reference in the RIS to compliance with Te Tiriti o Waitangi or mana whenua engagement.

**(d)** The Overseas Investment Act has been described as very complex and difficult, and in need of review and streamlining. However, the new Bill does not appear to be a simplified version.

**(e)** The Bill significantly reduces effective scrutiny of foreign investments, the excessive amount of scrutiny having been proposed as the reason for the recent low level of foreign investment in New Zealand. However, Treasury's 2024 Regulatory Impact Statement on the proposed changes refers to many other influences on an investor's decision to invest.

**(f)** The RIS also noted concerns by the public about profits going offshore, loss of jobs, and foreign control of iconic businesses.

**(g)** The proposed fast-tracking of approvals and narrowed criteria for assessment under the Bill would mean that environmental and other risks would have to be managed through other regulations.

**(h)** The Bill vests extensive power in the hands of the Minister of Finance. Decisions about acquisition of land, property or fishing quota by a non-New Zealand government and investments in strategically important businesses would ultimately rest with the Minister.

- (i) The Minister can also exempt any transaction, person or asset from the requirements for consent or definition as an overseas person.
- (j) A screening regime is needed to assess foreign investment proposals and ensure they are in the national interest, and that investors have sustainable and ethical business practices in place, including as regards the climate crisis.
- (k) The categories of “sensitive land” in the Bill include marine and coastal areas, lake beds, islands, land held for conservation purposes, historical places and wahi tapu listed in the New Zealand Heritage List or under a heritage order pursuant to the Heritage New Zealand Pouhere Taonga Act. These are not residential or farmland, and would be subject to the “fast track” regime proposed by the Bill. CTA objects to this fast tracking.
- (l) Instead of assessing investments against seven benefit factors, as the current Act does, the Bill proposes a single national interest test. This would remove the protectionary measures that are currently in place.
- (m) The benefit test has been narrowed to only one factor, that a single Minister could decide on.
- (n) A strong economic benefit test is essential to ensure that foreign investment benefits New Zealand, instead of the investor, at the expense of the country.
- (o) The Bill needs to ensure that foreign investment aligns with New Zealand's values, priorities, and long-term strategic goals, including environmental considerations.
- (p) There would no longer be a test of benefits to the natural environment or tests for public access, the protection of historic heritage, advancing a significant government policy, oversight or participation of New Zealanders, and consequential benefits.
- (q) There needs to be careful scrutiny of whether a proposed investment would create jobs, whether it takes care of our environment, and whether New Zealanders would still be able to access this asset.
- (r) More discussion and analysis of the Bill and its implications are needed.

CTA **opposes** the Overseas Investment (National Interest Test and Other Matters) Amendment Bill.

CTA **recommends** that the Select Committee calls for a first-principles review of the international investment regime, with a view to producing a new Overseas Investment Act that is clear and coherent, and has benefitted from input from users and key stakeholders.

**Date of submission:** 23 July, 2025

Signature:



A handwritten signature in black ink, which appears to read "Audrey van Ryn". The signature is fluid and cursive, with a large, stylized 'A' and 'R'.

Audrey van Ryn  
Secretary, Civic Trust Auckland