

Terms of Reference for the Foreign Investment Review

Purpose

The purpose of the review is two fold.

First, to ensure that the overseas investment regime focuses on those assets of critical interest, such as certain sensitive land areas, natural resources (eg fish) and assets with historical or cultural significance (eg heritage buildings).

Second, to further reduce compliance costs in areas where this is feasible, while ensuring the government's global connectedness objectives are achieved.

Coverage

- a. Consider what assets are of critical interest and should be subject to scrutiny by the regime, and any assets that are currently subject to scrutiny unnecessarily, while taking account of New Zealand's international treaty obligations.
- b. Consider the necessary criteria to ensure appropriate protection for the different asset classes to be covered by the regime.
- c. Consider whether any flexibility in the coverage and the criteria is appropriate, in order for changes to reflect any shifting priorities that may occur over time.
- c. Consider the appropriate level of monitoring and follow up on approvals
- d. Consider the appropriate balance between legislation and regulation.
- e. Consider how New Zealand's regime compares with other foreign investment regimes.
- f. Consider what, if any, measures should be introduced to mitigate the risks around the transitional period between announcement of the new regime and the legislation being in force.

Organisational design

- g. Consider the appropriate organisational design (e.g. stand alone or attached to a department) for the delivery of the developed foreign investment screening regime.
- h. Consider the appropriate governance arrangements of the OIC.

General

- i. Other matters considered appropriate, with the agreement of the Minister of Finance.