



A guide to doing business in Aotearoa New Zealand



October 2026

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Kia ora,

As we look ahead, it's evident that change remains the sole constant, both in Aotearoa New Zealand and across the globe. We work with our clients to navigate the evolving landscape, enabling you to achieve outcomes that benefit your business, the economy, and our communities.

This guide brings together our extensive knowledge and experience of doing business in New Zealand, drawing on expertise from across our firm. In it, you'll find an overview of our distinctive economic, social, and regulatory environment; detailing the business structures, capital markets, mergers and acquisitions, overseas investment regulations, taxation, and other essential laws and regulations to consider when planning to invest or do business here.

If you need further information please reach out to our team. With our extensive range of services and global network of specialists, we aim to make your entry into or expansion within New Zealand seamless and straightforward.



Andrew Holmes
CEO & Senior Partner
PwC New Zealand



**The world
never stops
moving –
and neither
do you.**

We're a tech-forward, people-empowered network. Across audit and assurance, tax and legal, deals and consulting we bring together the teams, resources and alliances you need to act boldly and achieve real results. We help you meet the demands of our ever-changing world with consistent quality, commercially-focused and objective advice.

In Aotearoa New Zealand, PwC has offices in the Auckland, Waikato, Hawke's Bay, Wellington and Canterbury regions. Over and above our traditional service offerings, we have a strong industry focus, with integrated teams dedicated to key industry groups in both global and national markets. For our clients, this means the best local knowledge combined with the broadest global experience.

PwC Legal – integrated legal expertise

PwC Legal offers expertise across a broad range of practice areas. We are part of the largest legal services network by geography, with over 3,500 lawyers worldwide. While technical excellence is fundamental to what we do, it is our global reach and deep market insights that set us apart from traditional law firms, allowing us to offer you a fully integrated service that encompasses legal, financial, tax, and accounting expertise.

In today's fast-moving world, it is more important than ever to have a legal partner who understands all aspects of your business. This document brings together the diversity of expertise and skills across PwC Legal and PwC New Zealand to help you navigate the changing and complex business environment.



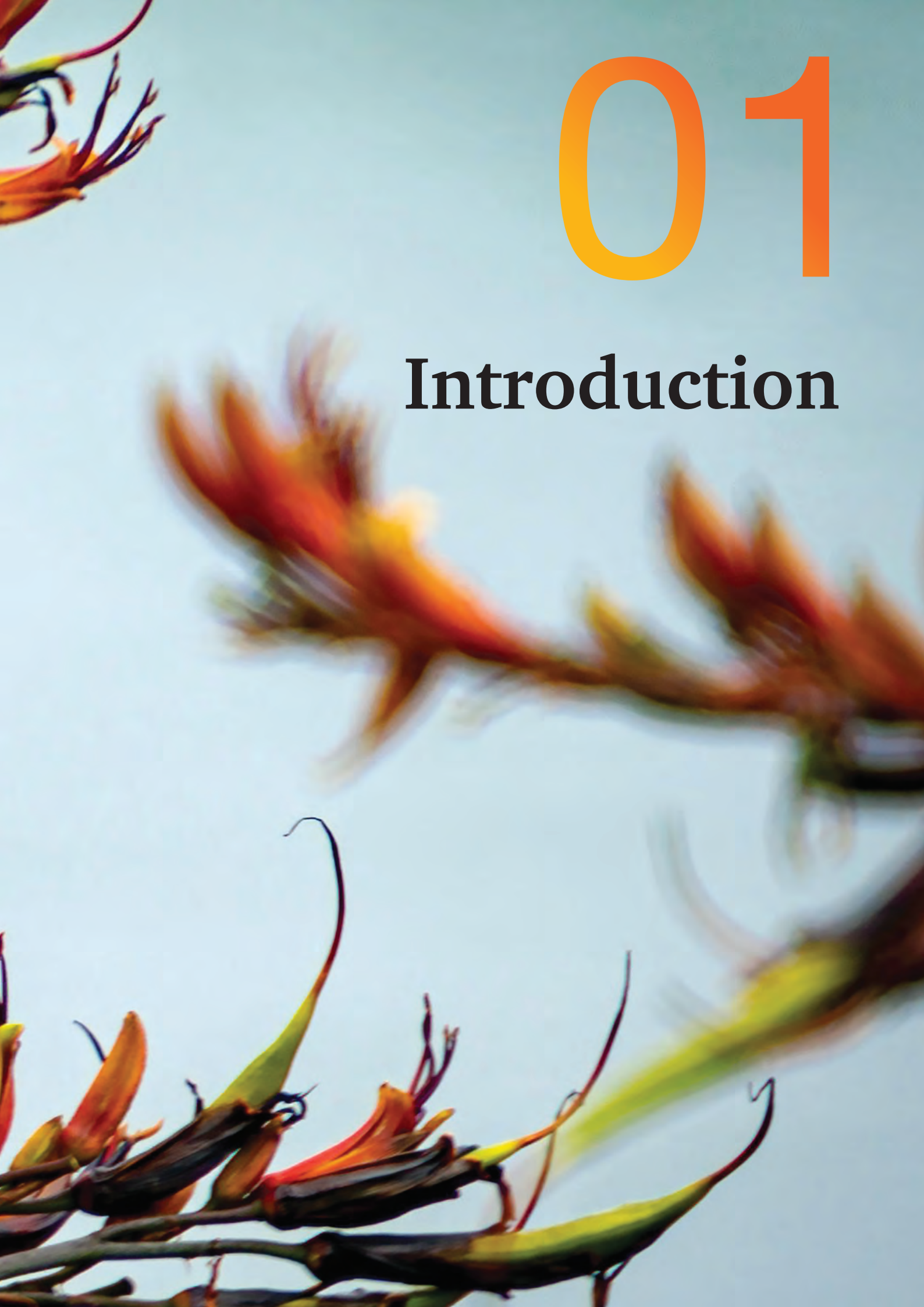
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Contents

01	Introduction	7
02	Business structures	11
03	Capital markets	17
04	Mergers and acquisitions	23
05	Overseas investment regulations	31
06	Infrastructure	43
07	Treasury	49
08	Taxation	53
09	Property	59
10	Employment	65
11	Privacy	71
12	Intellectual property	75
13	Contracts and consumer protection	79
14	Māori business	83
15	Climate regulations	89





01

Introduction

Doing business in Aotearoa New Zealand

In this guide to doing business in New Zealand, our team of experts provide distinctive insights into New Zealand's economic, legal, and regulatory environment, allowing investors to make informed decisions when establishing a business or investing in New Zealand.

Aotearoa New Zealand as an investment opportunity

Aotearoa New Zealand presents a compelling investment landscape, enhanced by a robust network of trade partnerships across Asia, the Pacific, the Americas and the European Union. It advocates for free trade and the removal of unfair competitive practices and trade-distorting subsidies.

New Zealand's stable democratic political system, strong legal institutions, and resilient economy make it a highly desirable destination for overseas investment. Its transparent and open-market economy, along with a free-floating currency, presents significant opportunities. Internationally, New Zealand is frequently recognised for its business-friendly environment,

ranking 12th on the Index of Economic Freedom in 2026 and fourth among the least corrupt countries in the world, alongside Denmark, Finland, and Singapore, in Transparency International's 2025 Corruption Perceptions Index.

The New Zealand Government welcomes sustainable, productive and inclusive overseas investment and recognises its contribution to the overall prosperity of the country. While some foreign investments require regulatory approval under the overseas investment regime, not all transactions do; the necessity for consent is determined by the nature and value of the investment. As part of its 'open for business' initiative, the Government significantly reformed investment pathways for foreign investors in March 2026 and created Invest NZ, a dedicated agency to engage with international investors.

Government and the legal system

New Zealand is an independent nation and its Government is modelled on the Westminster system.

This system is based on separation of powers, a concept intended to prevent abuses of power within Government, with each branch acting as a check on the others. The Government is led by the Prime Minister and consists of three branches: Parliament, Executive, and Judiciary.

Laws are written by the Executive and are passed through Parliament. Parliament is elected by the public through a democratic election every three years. Parliament determines which laws to pass by examining and debating proposed laws, also known as bills. The Executive is made up of the Prime Minister

and the Cabinet Ministers, who administer the law. Some of their powers and obligations are delegated to local councils and tribunals. The Judiciary interprets and applies the law by hearing and deciding cases, and keeps the balance between the power of the Government and the rights and responsibilities of New Zealanders.

Food and fibre

New Zealand's food production systems continue to underpin the country's economic resilience. The food and fibre sector remains integral to New Zealand's export base,

despite ongoing trade, cost, weather and geopolitical pressures affecting global supply chains. This sector accounted for 82% of New Zealand's goods exports in the year ended 30 June 2025, demonstrating its continued importance to the country's economy.¹

Unlike most OECD developed economies, New Zealand has a remarkable reliance on the food and fibre sector as a significant contributor to its prosperity. Food and fibre export revenue is forecast to increase to \$64.3 billion for the year ended 30 June 2026, representing the country's largest contribution to the tradable economy.²

Leveraging New Zealand's comparative natural advantages will ensure the country continues to make world-leading strides forward in the food and fibre sector. While quality products will always be in demand, New Zealand has the opportunity to strategically position its food and fibre sector to offer high skills, knowledge, technology, and capability to countries with the existing resources for production. Much of New Zealand's success in the food and fibre sector can be attributed to its capability in processes, systems, and technology, turning sunlight and nutrients into a broad range of products for consumers around the globe.



¹ Situation and Outlook for Primary Industries (SOPI) report published by Ministry for Primary Industries, June 2026.

² Situation and Outlook for Primary Industries (SOPI) report published by Ministry for Primary Industries, June 2026.

International trade

China, the USA and Australia are New Zealand's largest trading partners, with the European Union emerging as an increasingly important market for New Zealand. Taking advantage of its international reputation with a strong and growing network of international trading relationships, New Zealand has successfully concluded a number of free trade agreements. In particular, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and Regional Comprehensive Economic Partnership (RCEP) have helped New Zealand to diversify and secure access across a broad range of Asian and Pacific markets.

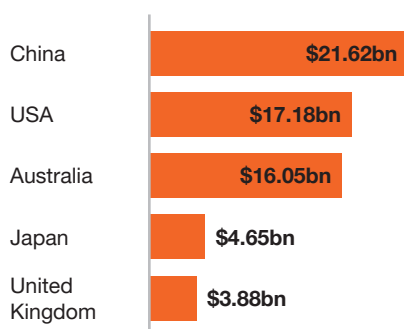
\$105.97bn

New Zealand **exports** of goods and services
in the year ended March 2025 (NZ\$)

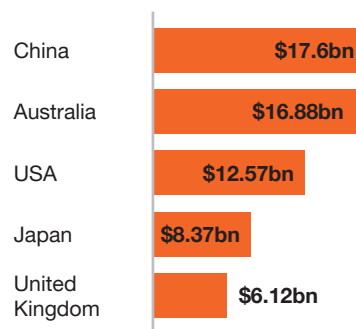
\$109.36bn

New Zealand **imports** of goods and services
in the year ended March 2025 (NZ\$)

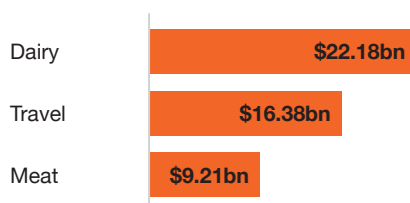
Top exports by country



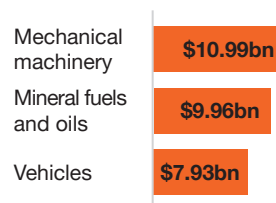
Top imports by country



Top export products

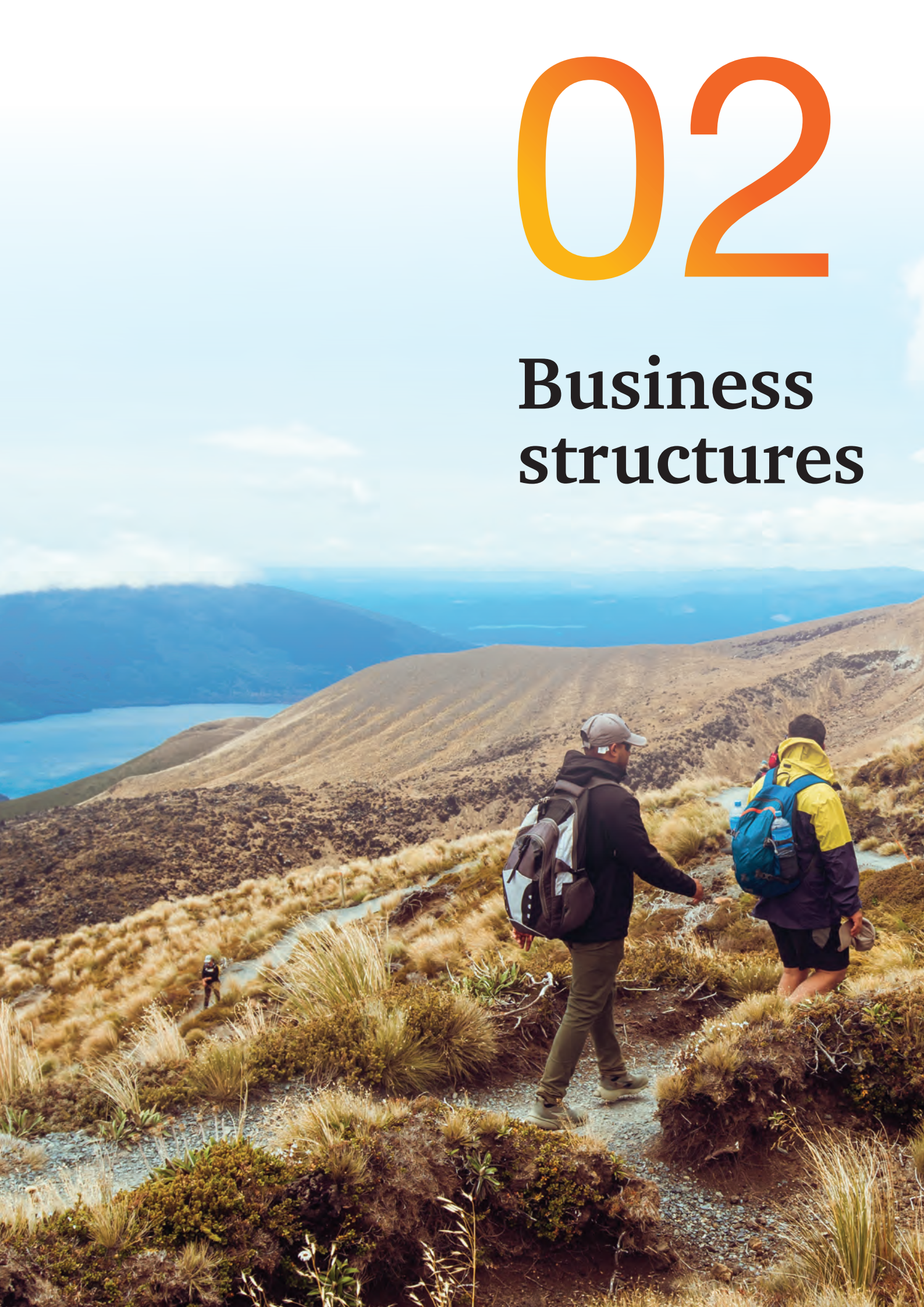


Top import products



02

Business structures



Business structures

New Zealand is widely regarded as one of the easiest places in the world to start a business. Its corporate entities are simple to form, globally recognised, and comparable to their international equivalents.

“There are a number of different business structures that are used in New Zealand. The most common are limited liability companies, overseas branches, and limited partnerships.”

Doing business through Aotearoa New Zealand entities

New Zealand is widely regarded as one of the easiest places in the world to start a business. New Zealand law allows overseas investors to set up businesses in a relatively short space of time, including setting up New Zealand entities, owning assets, employing local employees and entering into contracts with third parties in relation to their New Zealand business operations.

New Zealand corporate entities are simple to form, globally recognised, and comparable to their international equivalents.

There are a number of different business structures that are used in New Zealand. The most common are limited liability companies, overseas branches, and limited partnerships. Other less common types of structures include unlimited

liability companies, incorporated societies, general partnerships, sole traders and charitable trust boards.

If an overseas company is ‘carrying on business’ in New Zealand (otherwise than through a New Zealand subsidiary), it is required to register with the New Zealand Companies Office as an overseas company (often known as a ‘branch’). There are also additional, separate considerations for companies that are not resident in New Zealand but carrying on activities in New Zealand (whether or not they are registered as an overseas branch). For instance, if a non-resident entity supplies goods or services in New Zealand over NZ\$60,000 a year, they may be required to register for Goods and Services Tax (**GST**).

Limited liability companies

The most commonly used business structure in New Zealand is the limited liability company.

Limited liability companies are relatively easy to set up, and establishment and ongoing administration costs are minimal, which can be attractive to overseas companies looking to establish a local subsidiary entity.

In New Zealand, limited liability companies provide limited liability to their shareholders, which means such shareholders are generally only liable for money they have contributed or have agreed to contribute to the company (for example, money owed on shares that have been issued to them). A board of directors is responsible for governing the company, making various business decisions and overseeing the general operations of the company.

Establishment

Limited liability companies in New Zealand are governed by the Companies Act 1993 (**Companies Act**).

Incorporating a limited liability company in New Zealand is a relatively simple process, and requires confirmation of certain details and an application to the New Zealand Companies Office.

To incorporate a limited liability company in New Zealand, the company must have at least one director, one shareholder, and one share. It must also have a physical registered office address and an address for service in New Zealand. While these are minimum requirements, there are no minimum capital requirements and no restrictions on the size of a company's share capital or the number of shareholders or directors (albeit some additional regulatory considerations apply for certain companies with over 50 shareholders).

There are no residency requirements on shareholders. However, limited liability companies in New Zealand must have at least one New Zealand resident director, or one Australian resident director who is also a director of an Australian registered company.

When making an application for incorporation of a limited liability company, and then if needed, an application for an IRD number, GST registration and registration as an employer with the Inland Revenue may be submitted at the same time.

Upon incorporation, the newly incorporated limited liability company will be issued with a New Zealand Company Number and a New Zealand Business Number.

The Companies Office will also publish certain information about the company, its directors, and its shareholders on a publicly accessible website, including:

- The company's registered office address and address for service.
- The name and residential address³ of each director.
- The name and address of each shareholder, as well as details of each shareholder's shareholding interest in the company.
- A copy of the constitution (New Zealand's equivalent to articles of association or corporate bylaws), if there is one. It is not mandatory.
- Details of any body corporate (whether registered in New Zealand or overseas) that is the company's ultimate holding company.
- Audited financial statements that comply with generally accepted accounting practice, if they are large and more than 25% overseas owned (see more on this below).

3 See 'Proposed reforms' on page 16.

Ongoing compliance

Each year, a limited liability company must file an annual return which confirms the details held by the Companies Office about its presence in New Zealand. Failure to file an annual return is an offence under the Companies Act and can lead to the company being removed from the Companies Register. There are also obligations upon directors to maintain certain records (including a share register) and to update company information as relevant changes occur (such as the issue of new shares or changes to directors/shareholders or to any adopted constitution).

Directors of New Zealand companies are subject to certain duties (including to act in good faith and the best interests of the company, and to not trade recklessly). Any person taking on the role of a company director should ensure they are aware of their duties and obligations, as in some instances they can face personal liability for breach of duty or other laws.

In addition to the requirement to file an annual return each year, companies that are deemed to be 'large' and are more than 25% overseas owned will also generally be required to prepare and register audited financial statements with the New Zealand Companies Office.

A New Zealand company that is not a subsidiary of a body corporate incorporated outside New Zealand will be deemed large if one of the following applies:

- The total assets of the company and its subsidiaries (if any), as at the balance date of each of the two previous accounting periods, exceed NZ\$66 million.
- The total revenue of the company and its subsidiaries (if any), as at the balance date of each of the two previous accounting periods, exceeds NZ\$33 million.

A company that is a subsidiary of a body corporate that is incorporated outside New Zealand will be deemed large if one of the following applies:

- The total assets of the company and its subsidiaries (if any), as at the balance date of each of the two previous accounting periods, exceed NZ\$22 million.
- The total revenue of the company and its subsidiaries (if any), in each of the two previous accounting periods, exceeds NZ\$11 million.

'FMC Reporting Entities', such as companies listed on the New Zealand stock exchange, will have separate financial reporting obligations.

Overseas branches

Overseas investors may wish to establish a branch operation in New Zealand, rather than incorporating a local subsidiary company.

If an overseas company intends to 'carry on business' in New Zealand, it will be required to register as an overseas company (often known as a 'branch') on the Companies Office's Overseas Register (Overseas Register) within 10 working days of starting business activities in New Zealand. This registration does not incorporate a separate legal entity under New Zealand law, and the overseas company continues to contract and enter into transactions in its own right. There is no bright-line test for whether or not an overseas company is 'carrying on business' in New Zealand, but it is important to carry out this assessment based on professional advice and/or the guidance available to ensure compliance with any registration requirements.

In order to register a branch office in New Zealand, the overseas company must provide certified copies of its home jurisdiction's certificate of incorporation (or equivalent document) and its constitutional documents, along with the details of its current directors. Australian companies do not need to provide a certificate of incorporation, constitution,

or director details where that information is provided to the Companies Office by ASIC (Australian Securities & Investments Commission). If the documents are not in English, a certified translation must be provided. A New Zealand branch is required to nominate a representative resident in New Zealand to accept service of documents on behalf of the branch. The principal place of business and address for service must be physical addresses in New Zealand.

Similar to limited liability companies, branches of overseas companies will be required to file an annual return each year in order to confirm that the details held by the Companies Office are up to date, notify the Companies Office of changes to its directors and director details, addresses or constitution, and to confirm that the overseas company is still carrying on business in New Zealand.

Branches of overseas companies registered to carry on business in New Zealand may be required to prepare and file up to two sets of audited financial statements with the Companies Office: one set for the overseas company's operations (including the New Zealand operations) if the overseas company is deemed to be 'large', and one for the New Zealand business' operations (if such operations are separately deemed to be 'large').

The branch and/or overseas company will be deemed to be 'large' if either of the following apply:

- The total assets of the (a) overseas company and its subsidiaries (if any) and/or (b) its New Zealand business, as at the balance date of each of the two previous accounting periods, exceed NZ\$22 million.
- The total revenue of (a) the overseas company and its subsidiaries (if any) and/or (b) its New Zealand business, in each of the two previous accounting periods, exceeds NZ\$11 million.

Limited partnerships

Under New Zealand law, a limited partnership (**LP**) constitutes its own separate legal entity and must have at least one general partner and one limited partner.

A general partner is responsible for the management of the LP and is liable for its debts and liabilities, to the extent that the LP is unable to meet them. The general partner may (subject to certain requirements) be an individual, a limited liability company, another limited partnership, or partnership.

A limited partner is liable only to the extent of their financial contribution to the LP. In order to preserve their limited liability, limited partners must not participate in the management of the LP.



LPs are generally treated as ‘flow through’ entities for income tax purposes where the income and expenditure of an LP is treated as being derived/incurred by investing partners directly, in proportion to their partnership interest.

If an investor partner’s expenditure exceeds their attributed income for the year, the expenditure may be able to be offset against income from other sources (subject to a loss limitation rule), or carried forward and offset against that partner’s income in subsequent income years.

Establishing a LP in New Zealand requires an application to be lodged with the Limited Partnership Register via the Companies Office. This application must include the details of the general partner(s), the limited partner(s) and its registered office and address for service (which must be physical addresses in New Zealand). The application must also confirm that the LP has a limited partnership agreement that complies with the applicable law (though this does not need to be lodged with the Companies Office).

While some of the details of the LP will be publicly available on the Limited Partnership Register (such as details of the general partner and registered office details), the identity and partnership interest of the limited partners will not be publicly available. This can be attractive to investors who do not want their details to be available to the general public.

As with limited liability companies, LPs are required to file an annual return each year, and those that are considered ‘large’ may also be required to prepare audited financial statements.



Proposed reforms

The Government is progressing the first phase of reforms of the Companies Act and related corporate governance legislation.

This first phase seeks to simplify compliance and deter and detect poor business practices, such as phoenixing of companies.⁴ This first phase is not intended to significantly change the overall scheme of existing legislation, and will be a welcome and uncontroversial step for many New Zealand companies.

As part of these reforms, the Companies (Address Information) Amendment Act 2025 will come into force on 18 November 2026, unless brought into force earlier. This will allow directors to apply for non-disclosure of their

residential address where public disclosure is ‘likely to result in physical or mental harm’ to them, or to someone they live with. If a director is also a shareholder, or lives with a shareholder who consents, the director may also apply for non-disclosure of that shareholder’s residential address on the public register. As part of the wider Companies Act reforms, the Government also proposes to allow directors and shareholders generally to replace their residential addresses on the Companies Register with an address for service, without having to satisfy the harm-based threshold.

The second phase of reforms is yet to commence and will follow a Law Commission review of directors’ duties and related issues of director liability, sanctions, and more effective enforcement.

⁴ Phoenixing refers to when a company fails with unpaid debts, and a new company is incorporated to continue trading, sometimes with the assets of the failed company transferred to it for less than their value.

03

Capital markets



Capital markets

New Zealand has always been a net importer of capital to fund growth and is generally considered to be an attractive investment destination. Domestic and institutional offshore, private equity and venture capital funding continue to play a significant role in the New Zealand capital markets.

59%

of transactions in New Zealand involved international buyers during the first quarter of 2026.

Private capital markets

The global market landscape is currently characterised by volatile conditions, influenced notably by conflict in the Middle East, energy uncertainty and rapid technological change. These developments have broader implications, particularly relevant to New Zealand due to its export-oriented economy and its reliance on imported fossil fuels. For investors, understanding the potential impact of these global levers on New Zealand's trade and economic environment is crucial.

As the global geopolitical and technological landscape continues to evolve rapidly, New Zealand businesses that can proactively manage risk will be well positioned to deploy funding to take advantage of new opportunities for growth and stability.

Data from the first quarter of 2026 indicates strong international interest in New Zealand businesses, with the United States and Australia leading this offshore interest. Key sectors showing notable activity included Technology, Media, and Telecommunications (TMT), Business Services, Industrials and Chemicals, and Consumers sectors.⁵

Māori collectives and organisations increasingly contribute to an active private equity market as investors and co-investors across numerous sectors and industries. The New Zealand Government further contributes to the pool of capital and investment activity and provides some co-investment opportunities with Crown investment vehicles.

⁵ <https://www.pwc.co.nz/services/mergers-acquisitions-valuations/ma-quarterly-update-first-quarter-of-2026.html>

Notable investments by the New Zealand Government include the New Zealand Superannuation Fund, which hit a record high value of NZ\$85.1 billion in June 2025,⁶ the Accident Compensation Corporation fund (more than NZ\$50 billion),⁷ and KiwiSaver retirement scheme investments (more than NZ\$120 billion).⁸ The Government has also established NZ Growth Capital Partners to provide investment and support for early-stage and high-growth tech companies in New Zealand.

Access to capital remains crucial for the growth aspirations of New Zealand firms. Offshore capital plays an essential role in complementing domestic funding in order to achieve the level of investment required to grow New Zealand's productive assets.



⁶ <https://nzsuperfund.nz/publications/annual-reports/>

⁷ <https://www.acc.co.nz/about-us/our-investments/objectives-and-performance>

⁸ <https://www.fma.govt.nz/library/reports-and-papers/kiwisaver-report/>

Securities law regime

An offer of financial products (e.g. debt and equity securities, managed investment products and derivatives) in New Zealand is regulated by the Financial Markets Conduct Act 2013 (**FMCA**) and overseen by the Financial Markets Authority (**FMA**).

An offer of financial products is made in New Zealand if it is received by a person in New Zealand, unless the offeror takes reasonable steps to ensure that persons in New Zealand cannot accept the offer. This applies regardless of whether the offer is made by a New Zealand or offshore entity.

An offer of financial products will require the preparation and registration of a product disclosure statement, unless an exemption or exclusion applies. The product disclosure statement is heavily regulated under the FMCA and related regulations.

There are a number of exclusions and exemptions under the FMCA, where no disclosure document is required, or a reduced level of disclosure applies. Common exclusions and exemptions relate to offers to 'wholesale investors', 'close business associates' and 'employee share schemes' that fit within specific criteria. If the

investor is unable to rely on any of the exclusions or exemptions, then it is possible to apply for a bespoke exemption from the FMA.

Australia and New Zealand have a Trans-Tasman mutual recognition scheme under which a New Zealand issuer may make an offer of financial products to investors in Australia without needing to prepare a separate offer document under Australian laws. The mutual recognition scheme also applies to Australian issuers in respect of offers to New Zealand investors.

After a significant reform of New Zealand financial markets legislation in 2013, New Zealand benefits from simpler capital raising processes, and greater investor protections. The current government is considering further de-regulation in this area.

Debt capital

New Zealand has developed debt capital markets, with traditional and non-traditional debt financiers. The Reserve Bank regulates banks and non-bank deposit-takers (**NBDTs**) which include institutions that take deposits from the public, such as finance companies. There are 27 registered banks, many of which are internationally owned, and 14 registered NBDTs.⁹

For most New Zealand businesses, banks provide the overwhelming majority of debt, this is estimated to be roughly 93%.¹⁰ Roughly 84% of bank lending comes from the four main Australian-owned banks.¹¹ The domestic bond market has approximately 143 instruments with \$54 billion of market capitalisation.¹² Corporate (non-bank) bond issues are relatively rare, and largely centre on infrastructure (e.g. airports and electricity) and property issuers (including retirement villages).

The bond market extends beyond 10 years in some cases (e.g. Government bonds or Local Government Funding Agency (**LGFA**)), but for most corporates will be limited to a maximum length of five to seven years (depending on the trading conditions).

NZX overview

NZX operates the New Zealand Stock Exchange (**NZX**) and comprises two main capital markets in New Zealand – the NZX Main Board (principal market for equity securities) and the NZX Debt Market (for debt securities, including New Zealand Government bonds). Around 324 equity and debt securities are listed on the NZX, with a total market capitalisation of over NZ\$247 billion.¹³

⁹ <https://www.rbnz.govt.nz/regulation-and-supervision/cross-sector-oversight/registers-of-entities-we-regulate>

¹⁰ As at 20 June 2026, <https://www.rbnz.govt.nz/statistics/series/lending-and-monetary/registered-banks-and-non-bank-lending-institutions-sector-lending>

¹¹ As at 7 April 2025, <https://www.rbnz.govt.nz/financial-stability/about-the-new-zealand-financial-system/the-banking-sector>

¹² As at 1 July 2026, <https://www.nzx.com/markets/NZDX>

¹³ As at 1 July 2026, <https://www.nzx.com/learning/issuer-participant-resources/nzx-trading>

Issuers can have a Primary or Foreign Exempt Listing on the NZX. An issuer with a Primary listing will treat the NZX as their home exchange and will be required to comply with all of the NZX Listing Rules. Issuers that are already listed on certain overseas exchanges can apply to also list on the NZX as a Foreign Exempt Listing. This means that the NZX will be a secondary listing for the issuer and the issuer will be deemed to comply with the NZX Listing Rules so long as it remains listed on its overseas home exchange.

Once listed, NZX issuers must comply with the NZX Listing Rules, which include the continuous disclosure requirements (ensuring the timely release of material information to the market), additional ongoing corporate governance obligations, and reporting requirements (requiring the issuer to report against the NZX Governance Code). NZX issuers also have specific compliance obligations under the FMCA.

All listed equity issuers with securities containing voting rights are subject to the Takeovers Code (see Mergers and Acquisitions section).

Other exchanges in New Zealand

For businesses that are smaller than those that typically list on the NZX, the Catalist Public Market and Unlisted Securities Exchange (USX) offer alternative markets for issuers to list and trade securities.

The Catalist Public Market is a licensed financial product market. This means that investors have the protection of various provisions of the FMCA including, for example, insider trading, market manipulation, and the monitoring of market obligations by the FMA. Unlike the continuous trading offered on the NZX, Catalist Public Market operates periodic auctions where buyers and sellers will trade at a single price.

The USX offers a broker-traded market for continuous trading of both equity and debt securities. All trading on USX occurs through USX registered brokers and investors cannot trade directly on the USX market. The USX is not a licensed financial product market (and so various investor protection provisions of the FMCA do not apply).

Monitoring and enforcement

The FMA, in conjunction with the NZX, regulates New Zealand's capital markets. New Zealand law prohibits insider trading and other forms of market misconduct in relation to financial products (including misleading and deceptive conduct). Breaches of these laws carry civil or criminal liability for the person responsible, as well as potential accessory liability for others involved in the breach.

27

banks registered in New Zealand, many of which are internationally owned.

143

approximate number of instruments in the domestic bond market.

\$54bn

of market capitalisation in relation to the domestic bond market.

324

equity and debt securities are listed on the NZX.



04

Mergers and acquisitions



Mergers and acquisitions

Like many global exchanges, the New Zealand Stock Exchange (NZX) has seen few new listings in recent years.

Initial public offerings (IPO)

Reflecting global trends, the NZX has seen limited growth in issuer numbers, with private markets being an increasingly competitive transactional alternative for vendors. While the NZX has significantly improved its issuance processes, the time, cost and residual risks associated with a public market IPO are greater compared to private market transactions. The ongoing reporting obligations continue to present challenges for issuers and the traditional benefit of being listed, namely access to capital, is increasingly well accommodated for by private equity and other fund investors.

The Government has progressed work to reform certain aspects of New Zealand's capital markets.

As part of these reforms, from 12 June 2025, prospective financial information (PFI) is no longer a mandatory requirement when preparing a product disclosure statement (PDS) for an IPO. Changes are also proposed to lift thresholds for climate-related disclosures with the intent to create a proportionate regime that does not create an undue burden for issuers. The reform aims to support New Zealand capital markets by removing barriers to listing, improve market competitiveness and to more closely align with Australia.

Phase 2 of the reforms will, among other things, review the PDS requirements in relation to equity and debt offers with the aim of lowering costs for issuers and enhancing usability for investors.

M&A trends and insights

The PwC New Zealand M&A Quarterly Update reports on M&A activity in New Zealand and provides commentary on the global and local M&A outlook for the year ahead. Our Quarterly Update for Q2 of 2026 shows that 39 deals were announced in New Zealand during the second quarter of 2026, down from 43 deals in Q2 2025 and down from Q1 2026. While deal volumes softened, activity remained resilient. Overseas buyers accounted for almost half of all deals, highlighting continued international interest in New Zealand businesses, while increased private equity participation points to a broader and increasingly active investor market.¹⁴ Overseas investors can acquire a New Zealand business or entity in a number of different ways.

¹⁴ PwC New Zealand, M&A Quarterly Update: Second Quarter of 2026, available at: <https://www.pwc.co.nz/insights-and-publications/regular-publications/ma-quarterly-update/second-quarter-of-2026.html>



An acquisition will typically be structured according to regulatory and tax considerations, whether the parties prefer a share or asset sale, and whether the target entity is privately held or publicly listed.

Acquisitions of privately held companies are generally undertaken by agreement between the seller and the purchaser.

The acquisition or change of control of an entity that is listed on the NZX, or private entities with 50 or more shareholders

and 50 or more share parcels and are at least ‘medium-sized’, must be structured as a takeover offer under the Takeovers Code or a Scheme of Arrangement under the Companies Act 1993 (see more on the takeovers regime below). The NZX Listing Rules will also apply to mergers and acquisitions involving NZX listed companies.

The New Zealand overseas investment regime regulates mergers and acquisitions that involve an overseas person (or overseas controlled entity) seeking to make an investment in significant business assets or sensitive land in New Zealand. This regime also seeks to

manage risks to New Zealand’s national security and public order (see Overseas investment regulations section).

Before agreeing the commercial aspects of a transaction, investors should seek advice regarding any regulatory requirements and conditions that will apply. Entering into a transaction that is subject to the Takeovers Code or Overseas Investment Act 2005, for example, could have significant legal, reputational and financial implications if not managed correctly.

Regulatory landscape

New Zealand company law is governed by the Companies Act 1993. Most major merger and acquisition transactions will require the approval of a company's shareholders by a requisite majority.

For example, a New Zealand company must not enter into a 'major transaction' (broadly, a transaction worth more than half the value of the company's assets) unless the transaction is approved (or contingent on approval) by a special resolution of its shareholders, which ordinarily requires at least 75% of the shareholder votes to be in favour of the transaction.

New Zealand securities laws may apply if New Zealand financial products are being offered as consideration (see Capital markets section). There are a number of exclusions and exemptions under the Financial Markets Conduct Act that may apply.

Additional regulatory approvals may be required for a sale/disposal transaction depending on the nature of the industry that the target business is involved in. For example, insurance businesses may require approval of and/or notification to the Reserve Bank of New Zealand prior to a merger or acquisition transaction being completed.

Takeovers regime

Takeover activity is regulated by the Takeovers Code. The Takeovers Code restricts investors and their associates from undertaking certain transactions that impact their voting rights in a 'code company'.

The purpose of the Takeovers Code is to regulate the change of control of code companies so that all shareholders have equal opportunity to approve or participate in changes of control.

A code company is any New Zealand company that is listed on the NZX or which has 50 or more shareholders and 50 or more share parcels and is at least medium-sized. A medium-sized company is, broadly, a company that, together with its subsidiaries, has at least NZ\$30 million in assets or NZ\$15 million in revenue in the most recent accounting period. The Takeovers Code is enforced by the New Zealand Takeovers Panel (an independent Crown entity).



The transactions that are captured by the takeovers regime primarily involve those where a person (together with their ‘associates’) increases their ownership of voting rights in a code company above 20% (i.e., by initially crossing the 20% threshold or, if already above 20%, by increasing their ownership stake further).

Once a person and their associates hold 20% or more of the voting rights in a ‘code company’, there are specific rules about how and if that person and their associates can increase their shareholding. In summary, a person can increase their shareholding above the 20% threshold by way of:

- A takeover offer to shareholders for some or all of the code company shares, for an offer price (shareholders are free to decide whether or not to accept the offer).
- Obtaining the approval of other shareholders.
- Creeping acquisitions of up to 5% of the company’s shares over a 12-month period, if the person already holds between 50% and 90% of the voting rights in the code company.
- An approved exemption.

Once a person and their associates control 90% or more of the voting rights of a code company, they become a ‘dominant owner’ and may either complete a compulsory acquisition of the remainder of the voting rights or notify the remaining shareholders that they have the right to sell their shares to the dominant owner.

Scheme of arrangement as an alternative takeover mechanism

An alternative to conducting a takeover offer under the Takeovers Code is a scheme of arrangement that allows the change of control of a code company to be approved by the court under the Companies Act 1993.

One of the key differences between a takeover offer and a scheme of arrangement is that, under a takeover offer, the offeror controls the process, offer price and offer terms (subject to compliance with the Takeovers Code). This means that a takeover offer can be used for a friendly or hostile takeover. A scheme of arrangement can be used to effect the same outcome as a takeover offer, but the target code company controls the process (with some involvement from the offeror and the shareholders). Accordingly, a scheme of arrangement can be an attractive option to effect a ‘friendly’ takeover, potentially providing offerors greater likelihood of success once the target board approves the transaction.

A scheme of arrangement can also be used to achieve other outcomes involving the reconstruction of the company’s shares, assets or liabilities.

Some of the key features of a scheme of arrangement include:

1. Certainty of outcome for the offeror (that is, if the scheme is not approved by the court, the offeror will not acquire any shares), although the court process can be time consuming and poses execution risk in its own right.
2. The voting requirement to approve a scheme of arrangement is generally lower than voting thresholds required under the Takeovers Code.
3. There is greater flexibility to incorporate terms into a scheme of arrangement that would not be permitted under a takeover offer.

The Takeovers Panel retains a role with scheme of arrangement transactions including providing the court with a letter of no objection, which essentially provides the court comfort that scheme disclosures are ‘code equivalent’ and that the Panel has considered whether all shareholders can vote together or whether there should be separate votes of different classes of shareholders.

Competition regime

While mergers and acquisitions can bring many benefits to the New Zealand economy through efficiency and innovation, some transactions have the potential to substantially lessen competition and create anti-competitive outcomes for consumers. The Commerce Act 1986 (**Commerce Act**) prohibits conduct that substantially lessens competition.

The purpose of the Commerce Act is to promote competition in markets for the long-term benefit of consumers within Aotearoa New Zealand.

The Government commissioned a review of the Commerce Act in 2025, which identified complexity, cost and delays in supporting pro-competitive collaboration, limitations in enforcement, and gaps in the merger control framework. The Commerce (Promoting Competition and Other Matters) Amendment Bill was proposed as a result of that review, and seeks to introduce some of the most significant proposed reforms to the Commerce Act in recent years. The Economic Development, Science and Innovation Committee has recommended that the Bill be passed. The Bill is proceeding through its final parliamentary stages.

At a high level, the proposed reforms would affect key areas of New Zealand competition law, including business acquisitions, pricing conduct by firms with substantial market power, pro-competitive collaboration between businesses, and the Commerce Commission's enforcement tools. The Bill remains subject to the parliamentary process and the final form of any reforms may change.

Restrictive trade practices

The Commerce Act prohibits restrictive trade practices such as:

- Contracts and arrangements that substantially lessen competition in a market.
- Cartel provisions including unauthorised price fixing, restricting of output or market allocation.
- Misusing substantial market power by engaging in conduct that has the purpose or likely effect of substantially lessening competition in that market.
- Resale price maintenance by a supplier of goods to ensure that their goods are not resold below a minimum price.

The Bill (referred above) proposes changes affecting restrictive trade practices, including a new clearance pathway for certain pro-competitive collaborations, and a proposed predatory pricing provision for firms with substantial market power.

Clearance and authorisation on business acquisitions

The Commerce Act prohibits a person from acquiring another business' assets or shares (including by merger) if doing so will have the effect of substantially lessening competition in a market. Businesses proposing to acquire another business' assets or shares may apply to the Commerce Commission for clearance or authorisation of the acquisition. It is not mandatory to apply for clearance or authorisation of a proposed acquisition, however this would provide parties with certainty to proceed if they are uncertain whether (or know) the proposed transaction would substantially lessen competition in a market. The Commerce Commission grants a clearance where it considers that the proposed acquisition will not be likely to substantially lessen competition in a New Zealand market.

40

Number of working days the Commerce Commission aims to reach a decision on clearance and authorisation applications.

If the Commerce Commission grants a clearance in relation to a transaction, the parties are protected from future legal action under the Commerce Act provided the acquisition is made in accordance with the clearance and while the clearance is still in force.

The Commerce Commission may grant an authorisation to permit an acquisition to go ahead even if it considers that the acquisition would result in a substantial lessening of competition, in circumstances where the acquisition would result in a benefit to the public that outweighs the competitive harm. Clearance and authorisation applications to the Commerce Commission must be submitted before the acquisition is unconditional.

Currently, filing for merger clearance in New Zealand is voluntary. However, the Bill (referred above) proposes an overhaul of the merger clearance process, including by giving the Commerce Commission additional tools to review non-notified transactions and ‘call in’ transactions to require parties to seek clearance. The Bill also proposes to make amendments to the substantial lessening of competition test for mergers.

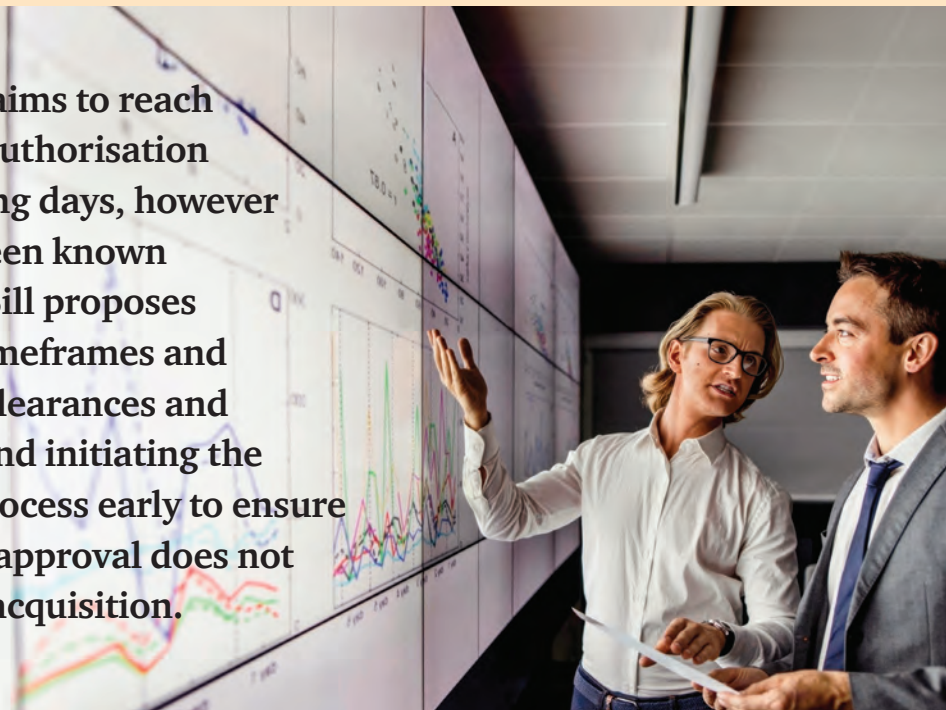
Breach of the Commerce Act

The Commerce Commission takes an active enforcement role and can investigate mergers or proposed mergers that may raise competition concerns and where the merging parties have not applied for, or do not intend to apply for, clearance or authorisation prior to the transaction completing (a non-notified merger). The Commerce Commission can seek interim relief or take enforcement action in the High Court.

Penalties for breaching the Commerce Act are substantial. An individual that breaches the restrictive trade and business acquisition provisions may be fined up to NZ\$500,000. A company could be fined up to the greater of NZ\$10 million, three times the commercial gain resulting from the breach, or 10% of the company’s group turnover for a specific period. An individual that commits an offence relating to cartel provisions may also face imprisonment for up to seven years.

The Bill proposes to strengthen the Commerce Commission’s enforcement powers, including through expanded injunction powers and additional court issued corrective action orders for restrictive trade practices.

The Commerce Commission aims to reach a decision on clearance and authorisation applications within 40 working days, however complex applications have been known to take several months. The Bill proposes more prescriptive decision timeframes and process changes for merger clearances and authorisations. We recommend initiating the clearance or authorisation process early to ensure that Commerce Commission approval does not interfere with your business acquisition.







05

Overseas investment regulations

Overseas investment

The reforms that came into force on 6 March 2026 have reset New Zealand's foreign direct investment framework

The reforms reflect the Government's 'Going for Growth' agenda to accelerate the New Zealand economy, by enabling and encouraging high-quality foreign direct investment into New Zealand. The Overseas Investment Act 2005 (OIA) reflects this in its amended purpose following the new reforms, by recognising the role of overseas investment in increasing economic opportunity through enabling timely consent of less sensitive investments.

The scope of what is screened has not changed following the reforms, but the way many lower-risk transactions are assessed has been streamlined. Broadly, the regime is now intended to enable faster consent for less sensitive investments, while preserving more detailed review for transactions that may raise national interest concerns. In practical terms, most significant business asset transactions and sensitive land transactions that do not involve farm land or residential

land will be assessed under a more streamlined, national interest-based pathway.

Farm land, residential land and fishing quota continue to be treated as special categories and remain subject to more specific screening rules.

“The reforms also provide a new pathway for overseas investors to buy or build a house worth \$5 million or more, if they hold an Active Investor Plus, Investor 1 or Investor 2 residency visa.”

Overall, the reforms represent a clear shift in New Zealand's foreign direct investment framework.



The regime at a glance

What is screened

The overseas investment regime screens certain investments by overseas persons in:

- Significant business assets.
- Sensitive land.

Significant business assets

broadly include acquisitions of New Zealand businesses, business assets or ownership interests where the value or consideration exceeds NZ\$100 million, subject to any applicable alternative monetary thresholds.

An investment in significant business assets includes the acquisition of a more than 25% interest (or the increase of an existing stake over certain control thresholds) in the securities of a company.

Sensitive land comprises certain types of land prescribed in regulations. These include:

- Non-urban areas greater than five hectares (including farm land).
- Residential land that has a property category of 'residential' or 'lifestyle' on the District Valuation Roll (Note: Investors from Australia or Singapore may be exempt if land is not otherwise sensitive).

- Other land of certain sizes either comprising or adjoining land of particular significance (e.g. marine and coastal areas, lakebed, or land listed as a reserve, of historical significance, held for conservation purposes, or set apart as Māori reservation).
- Land located on certain specified islands greater than 0.4 hectares.

An investment in sensitive land includes:

- Purchasing freehold land.
- Acquisition of a long-term leasehold interest (three years or more for residential land; ten years or more for non-residential land).
- Acquisition of a more than 25% interest (or the increase of an existing stake over certain control thresholds) in an entity that owns or controls sensitive land.

Regulator

The Overseas Investment Office (OIO) oversees the overseas investment regime and assesses applications for consent.

Overseas person

An overseas person broadly includes an entity that is incorporated outside of New Zealand, and any person who is not a New Zealand citizen or ordinarily resident in New Zealand.

The definition also captures any entity in which overseas persons have more than 25% ownership or control, unless the entity is listed.

In the case of a listed entity, the entity will not be an overseas person if overseas persons own less than 50% of their securities, and overseas persons with 10% or more of its securities do not collectively control more than 25% of the total securities or 50% or more of the board of directors.

Even where a transaction takes place outside of New Zealand, if it involves New Zealand assets downstream (or where a target business has interests in 'sensitive land' in New Zealand – which can include leasehold interests), OIO consent may still be required. Where any New Zealand assets or land interests are involved, investors should make an early assessment of whether OIO consent is required.

Associates

The associate rules may require a New Zealand person to obtain consent where it acquires an investment on behalf of an overseas person. The associate rules prevent overseas persons from avoiding the OIA by using a third party, such as an agent, trustee, nominee or representative. The associate rules also extend to informal or unwritten arrangements and understandings. The assessment is fact-specific and focuses on the substance of the arrangement.

If the associate provisions apply, the New Zealand associate must obtain OIO consent before acquiring the investment.

Pathways

There are different application pathways for consent depending on the transaction. Each consent pathway requires the investor to submit an application in the prescribed format for that pathway, and pay a filing fee.

The **primary consent pathway** is the main application pathway for consent to invest in significant business assets and sensitive land (other than where they include residential land or farm land, or an investment in fishing quota). This replaces the benefit to New Zealand and investor tests for all investments (other than those in residential land, farm land and fishing quota) with a three-stage national interest test.

The other pathways include:

- The **benefit to New Zealand consent pathway** where the overseas person wants to invest in land that includes residential land (and the other pathways for residential land do not apply) and/or farm land. However, in the case of farm land, a modified benefit test will apply.
- The **forestry pathway** provides an application pathway for investment in sensitive land used for production forestry.
- There are various pathways for **migrants and visa holders** to acquire residential property, including the new

\$5 million-plus home pathway for qualifying investor visa holders to buy or build a house worth more than \$5 million.

- The **residential land development** pathways for investors to acquire residential land to develop.

Primary consent pathway

What is screened?

1. Investment in significant business assets.

An investment in significant business assets includes:

- The acquisition of more than 25% interest in a business (or the increase of an existing stake over certain control thresholds) where the consideration paid for the New Zealand part of the investment exceeds NZ\$100 million.
- The acquisition of more than a 25% interest in a business (or the increase of an existing stake over certain control thresholds) where the value of the New Zealand assets exceed NZ\$100 million.
- The establishment of a business in New Zealand where the total expenditure expected to be incurred in establishing the business exceeds NZ\$100 million.
- The acquisition of property (including goodwill and other intangible assets) where the consideration paid exceeds NZ\$100 million.

Investors from certain countries with trading arrangements with New Zealand will benefit from elevated monetary thresholds, rather than the default NZ\$100 million threshold listed above. For instance, the NZ\$100 million threshold increases to:

- NZ\$200 million for certain non-government investors from member countries/ separate customs territories to international agreements.¹⁵
- NZ\$676 million for certain Australian non-Government investors for the year to 31 December 2026 (subject to annual adjustment).

2. Investment in sensitive land (other than residential land, farm land or fishing quota)

Land can be sensitive because of the type of land it is, and its size compared to a prescribed land area threshold. For example, non-urban land over 5ha would be considered sensitive land.

Land can also be sensitive because it adjoins certain types of land and is larger than a listed area threshold. For example, land over 0.2ha and adjoining marine and coastal areas is considered sensitive land.

If the relevant land is or includes farm land or residential land, or the investment involves fishing quota, the primary consent pathway is not available and the specific consent pathway for the relevant investment should be considered.

¹⁵ Australia; Brunei; Canada; Chile; China; Japan; Mexico; Singapore; Taiwan; The Republic of Korea; and Vietnam.

How is the investment assessed under the primary consent pathway?

The investment is assessed under three stages.

1 Stage One Initial risk assessment

The purpose of Stage One is to determine whether a national interest assessment is required. Consent will be granted at this stage if the investment is unlikely to present a risk to New Zealand's national interest.



When considering what constitutes a national interest risk, the OIO is generally concerned about threats to New Zealand's national security and public order.

2 Stage Two National interest assessment

If the conclusion at Stage One is that there may be a risk to New Zealand's national interest, the purpose of Stage Two is to assess whether the transaction poses a risk to the national interest, and whether the risk can be managed. The focus of the OIO at this stage is whether:

- (a) Foreign ownership or control of the asset could pose a sufficiently material risk for New Zealand's national interest, due to the inherent sensitivity or characteristics of the asset (such as links to critical infrastructure, a business holding large amounts of personal data, or links to strategically important businesses).
- (b) The identified risk is able to be, or is more appropriately, managed by domestic legislation, or managed by other means.

At this stage, the OIO also considers whether the benefits (including with respect to other Government priorities) offsets a sufficiently material risk arising from the transaction.



Consent granted if national interest test is met.

3 Stage Three Ministerial decision

If the OIO determines at Stage Two that there is a risk to the national interest that cannot be managed, the purpose of Stage Three is for the responsible Minister to decide whether or not to decline the transaction on the grounds that it is contrary to the national interest.



Investment prohibited if it is considered contrary to New Zealand's national interest.

National interest test

The national interest test determines whether an overseas investment transaction may be contrary to New Zealand's national interest. A transaction may be defined as a transaction of national interest by the mandatory criteria specified in the OIA, being:

- Where the investment involves land or assets used for strategically important business).¹⁶
- Where the investment would result in non-New Zealand government investors acquiring more than 25% ownership or control interest in the target business.

In considering risks under the national interest test, the Government has directed the OIO to focus on factors such as:¹⁷

- The nature of the asset – including whether the asset has features that make foreign ownership or control sensitive, such as links to critical infrastructure, strategically important businesses, or significant personal data.

- The investor ownership structure – including the investor's operations, history, governance, and whether the structure is transparent enough for the OIO to assess control and risk.
- New Zealand's international position – including whether the transaction could adversely affect New Zealand's international relations or reputation.
- Nationally significant land interests – including land with conservation, heritage, Te Tiriti o Waitangi, wāhi tapu or similar significance.
- Countervailing benefits – including whether the benefits of the investment, and its alignment with Government priorities, sufficiently offset any material national interest risk.

Other tests that must be met

Investments in sensitive land also require the investor test to be met. Broadly, the investor test considers whether investors are not unsuitable to own or control sensitive New Zealand assets. The test includes character factors (convictions, significant fines, corporate fines or being ineligible to come to

New Zealand) and capability factors (prohibitions on being a director, penalties for tax avoidance or evasion or unpaid tax of NZ\$5 million or more).

The benefit to New Zealand test must also be met if the land includes farm land or certain types of residential land. The benefit to New Zealand test compares the likely result of the overseas investment against the existing state of affairs. If the land includes farm land that exceeds 5ha, a modified benefit test applies. See further below for an overview of investment in farm land.

Fees

The OIO's filing fee for the primary consent pathway is NZ\$16,960 for the stage one assessment. If the application requires a full national interest assessment, an additional OIO filing fee of NZ\$83,700 generally applies, reduced to NZ\$61,800 where the transaction is a transaction of national interest only because it falls within the specified non-New Zealand government investor categories.

¹⁶ Strategically important business is defined in detail in the OIA and associated regulations, and broadly includes:

- Critical direct suppliers to an intelligence or security agency.
- Businesses involved in military or dual-use technology.
- Ports or airports.
- Electricity, water, or telecommunications businesses.
- Important financial institutions, or organisations involved in financial market infrastructure.
- Media businesses with significant impact.
- Businesses involved in an irrigation scheme.
- Businesses with access to data sets of sensitive information relating to 30,000 or more individuals.

¹⁷ Ministerial Directive Letter dated 6 March 2026.

Active investor visa pathway

What is screened?

The active investor visa pathway is a targeted pathway for qualifying investor visa holders to buy or build residential land in New Zealand. The pathway is limited to one residential property, and cannot be relied on to accumulate multiple residential land interests.

This pathway is available to holders of an Active Investor Plus visa, Investor 1 visa or Investor 2 visa. This pathway applies where the investor seeks consent to acquire residential land where:

- The land is residential land, being land categorised as residential or lifestyle on the District Valuation Roll.
- The land is not otherwise sensitive land.

- The land already has a dwelling on it, or a new dwelling will be built on the land.
- The agreed purchase price for the land, or the agreed purchase price plus the cost of building the dwelling, exceeds NZ\$5 million.

How is the investment assessed under this pathway?

Consent will generally be granted if the OIO is satisfied that the investor holds a qualifying visa and the NZ\$5 million threshold will be met, and the acquisition is not contrary to New Zealand's national interest.

The national interest test operates as a backstop. In practice, it is expected to be used only in rare cases where the proposed acquisition raises national security, public order or other national interest concerns.

Fees

The OIO's filing fee depends on whether the investor is buying an existing dwelling or land on which a dwelling will be built.

If the land includes an existing dwelling and the purchase price exceeds NZ\$5 million, the OIO's filing fee is NZ\$2,040.

In all other cases, including where the investor is buying land and building a new home so that the purchase price plus build cost exceeds NZ\$5 million, the OIO's filing fee is NZ\$3,500.

If the application requires a full national interest assessment, a further fee of NZ\$83,700 may apply.



Timing

Timing for OIO consent should be built into the transaction plan from the outset.

From 6 March 2026, the reformed regime introduced a faster primary consent pathway for many significant business asset and sensitive land transactions, other than farm land, residential land and fishing quota. The statutory timeframe for the first-stage national interest screening process is 15 working days.

If a transaction is escalated to a stage two national interest assessment, a further 55 working days may be added.

The Government has directed OIO to focus its resources on higher-risk transactions and to assess 80% of initial national interest screening applications within five working days, excluding time where the OIO is waiting for information from the applicant. As at July 2026, the OIO has reported that it is generally meeting this five working day timeframe for investments that are considered unlikely to present a national interest risk.¹⁸ The Government has also directed the OIO to assess 80% of consent applications within half of the relevant regulatory timeframe.



Some applications will continue to require longer assessment periods. Farm land benefit applications remain subject to a 100 working day timeframe, general benefit to New Zealand applications are generally subject to a 70 working day timeframe, and fishing quota applications have a 200 working day timeframe.

The practical point for investors is that shorter statutory timeframes place more emphasis on getting the application right at the start. Experienced advisers can help identify the correct pathway, anticipate any national interest issues, prepare the evidence the OIO will expect, and align the consent process with signing, conditions, financing and completion. A clear, well-evidenced application that responds to the OIO's current areas of focus will be best placed to preserve the benefit of the faster reformed pathways.

Given the complexity of the regime, overseas investors should engage experienced New Zealand advisers early. A quality application that is directed to the matters that OIO is now required to assess under the reformed regime will be better placed to benefit from the streamlined pathways and reduce the risk of delay.

“The practical point for investors is that shorter statutory timeframes place more emphasis on getting the application right at the start.”

Notification of transactions involving a strategically important business

If an overseas person is investing in a strategically important business, the transaction may need to be notified to the OIO, even where OIO consent is not otherwise required.

Notification of a transaction is mandatory if the target business researches, develops, produces, or maintains military or dual-use technology, or is a critical direct supplier (published or unpublished) to the New Zealand Defence Force, the Government Communications Security Bureau, or the New Zealand Security Intelligence Service.

Notification of a transaction is voluntary in certain other types of businesses, including certain types of business involved in airports, ports, electricity generation,

distribution, metering, or aggregation, water infrastructure, telecommunications, financial institution or financial infrastructure, sensitive information, or is a media business with significant impact.

The notification regime does not generally depend on the value of the transaction and may apply to acquisitions of interests that do not otherwise trigger OIO consent.

Where notification is voluntary, an investor may choose to notify the transaction and seek clearance. If the OIO determines that the transaction does not pose a significant risk to New Zealand's national security and public order, that clearance operates as a safe harbour against later Government intervention, subject to limited exceptions such as false or misleading information.

If a transaction is not notified, the OIO could call in the transaction at a later time to assess the potential risk to New Zealand's national security and public order.

If the OIO makes an assessment that the transaction poses a significant risk to New Zealand's national security and public order, the Government can block the transaction, impose conditions, or order the disposal of assets.

Farm land

Farm land carries significant cultural and economic value in New Zealand and there are special rules in place for overseas investments in farm land.

Farm land remains a special category under the overseas investment regime. Unlike most significant business asset and sensitive land transactions, an investment in farm land is not assessed under the streamlined primary consent pathway. Overseas investors generally need to satisfy the benefit to New Zealand pathway, including the farm land benefit test.

Farm land is defined as land that is, at the time of the consent application, used exclusively or principally for:

- **Agricultural purposes**
This covers growing crops and raising livestock.
- **Horticultural purposes**
Activities like managing orchards, vineyards and growing in glasshouses or hydroponic systems.
- **Pastoral purposes**
Grazing livestock is included.

Land that is principally or exclusively used for forestry is not considered farm land, and special rules apply to investment in forestry.

The status of land as farm land is assessed by reference to its actual use, not the investor's intended future use. For example, land that is currently used principally for farming may still be farm land even if the investor intends to convert it to another use after acquisition. The OIO may also consider the nature of the land and its historic use when assessing whether the farm land rules apply.

Where the farm land benefit test applies, the investor must show that the investment is likely to result in sufficient benefit to New Zealand. For farm land, this is an elevated benefit test: the benefits must substantially meet the economic benefit factor and/or the New Zealand oversight or participation factors. Relevant benefits may include new capital investment, jobs, increased productivity, export receipts, processing activity, environmental improvements, or New Zealand participation in the investment or its governance.

Farm land must be advertised on the open market before any overseas person enters into an agreement to acquire farm land (which can include a binding term sheet).

This advertising requirement is intended to provide New Zealand persons with sufficient opportunity to acquire the farm land. In some circumstances, it is possible to obtain an exemption from this advertising requirement.

Investors looking at farm land should assess the OIO position early. The analysis can affect transaction structure, timing, conditions, due diligence sequencing and whether an advertising exemption should be sought.

Solar and wind energy farm developments

Solar and wind projects typically require OIO consent where an overseas investor acquires interests in sensitive land (including farm land) required to develop the solar or wind farm.¹⁹

Although solar and wind farms usually involve similar types of land (particularly farm/ rural land), there are some differences between them that are pertinent to the overseas investment regime.

Easements are exempted interests under the OIO regime, and so consent is not required where the rights granted are properly characterised as an easement.

¹⁹ OIO consent will also be required for the acquisition of significant business assets (regardless of whether sensitive land is involved or not) if the cost of development or the consideration exceeds NZ\$100 million (or higher threshold as relevant).

This is particularly relevant for wind farm developers, where the project footprint is usually limited and there is limited disruption to the landowner's enjoyment and control of the land.

However, the rights required by a developer of a large-scale solar farm tend to be more extensive in terms of land area used. OIO has indicated that, regardless of whether an arrangement is described as an easement, consent will be required if the rights granted to the developer are more extensive in substance and practice than an easement. This will usually be the case where the solar farm becomes the dominant use of the land, the landowner must substantially change its use of the land, or significant restrictions are imposed on the landowner's enjoyment and control of the land.

All solar farm developments that the OIO has considered to date have involved interests in land that were more extensive than an easement, meaning OIO consent was required. By contrast, wind farm arrangements may still be capable of being structured as easements where the landowner can continue using the land substantially as before.

Solar farm developments may also raise practical issues with the farm land advertising requirement, as developers commonly need to secure rights to land before undertaking significant due diligence, testing or feasibility work. An exemption from the advertising requirement may be appropriate where advertising would undermine that pre-purchase investment, and a number of exemptions have been granted to solar investors on this basis.

Consent timing and cost should be built into the project plan. While farm land acquisitions are subject to a 100 working day statutory timeframe, actual consent times for the period May 2025 to April 2026 averaged 52 working days.²⁰ The application fee for farm land is NZ\$74,000 to NZ\$141,900, plus NZ\$83,700 if a national interest assessment is required.

For larger solar or wind projects, investors should also consider whether a national interest assessment may be required, particularly where a non-New Zealand government investor is involved, or where the project or the investor's generation capacity exceeds 250MW.

OIO considerations can arise on later changes in ownership or control of an existing solar or wind farm, such as if there is significant change in ownership that involves an overseas investor.

In some cases, an intensively developed solar farm may cease to be farm land by the time the development is complete. This may mean that any OIO consent in relation to the change in ownership or control could be assessed under the streamlined primary consent pathway (rather than assessed as farm land).

Breach

It is an offence under the OIA to give effect to an investment without obtaining the required OIO consent or to take steps to evade or circumvent the operation of the OIA.

A person who breaches the OIA may be liable to a range of civil penalties and criminal fines (for instance, penalties of up to NZ\$500,000 for individuals and up to NZ\$10 million or three times quantifiable gain for businesses). The OIO has a range of enforcement powers available in the case of breach or non-compliance with any condition attached to a consented transaction, including applying for court orders to require the investor to dispose of assets and property.

²⁰ In the period from May 2025 to April 2026. Source: linz.govt.nz.



An aerial photograph of a wide, multi-lane highway bridge spanning a body of water. The bridge has several lanes in each direction, with white lane markings and large white directional arrows on the road surface. Various vehicles, including cars, buses, and trucks, are traveling across the bridge. To the right of the bridge, there is a dense line of green trees. The water is a light blue-green color. The overall scene is captured from a high angle, looking down the length of the bridge.

06

Infrastructure

Investing in infrastructure

Infrastructure is fundamental to New Zealand's prosperity, resilience and wellbeing. It enables businesses to move goods, power and data; supports housing and urban growth; provides clean water and waste services; and connects people to jobs, services and communities. It is also becoming a platform for productivity: the infrastructure systems that matter most are increasingly interconnected across energy, digital, transport, water, housing, health and social infrastructure.

New Zealand's infrastructure challenge remains material, but the better framing is no longer simply a single dollar deficit. Te Waihangā's 2026 National Infrastructure Plan says New Zealand already invests heavily in infrastructure – in 2010-19 it was the highest infrastructure investor in the OECD as a share of GDP – but is near the bottom of the OECD for investment efficiency. The implication for investors is clear: the opportunity is not just more projects, but better prioritisation, better funding and financing, better delivery, and stronger asset management.²¹

The earlier estimate of a more than NZ\$200 billion infrastructure deficit remains a useful reference point for the scale of historic underinvestment. However, Te Waihangā's more recent work points to a broader system problem: without policy change, long-term fiscal pressures are unsustainable, and by 2065 net Crown debt is forecast to reach 200% of GDP. Closing the gap therefore requires a combination of demand management, renewal of existing assets, disciplined project selection, productivity gains in delivery, and greater use of private capital where it transfers risk efficiently and improves value for money.^{22, 23}

The global context reinforces this shift. PwC's Global Infrastructure Outlook 2025-50, developed with Oxford Economics and released in April 2026, forecasts US\$151.1 trillion of global infrastructure investment to 2050, with annual spending rising from US\$4.4 trillion in 2024 to US\$6.9 trillion in 2050. The report highlights that infrastructure investment is being reshaped by electrification, digital acceleration, AI, urbanisation, reindustrialisation, supply-chain resilience and climate adaptation. For New Zealand, these trends support investment themes around grid reinforcement, renewable generation and storage, data centres and fibre, resilient transport and ports, water reform, and social infrastructure renewal.²⁴

²¹ New Zealand Infrastructure Commission, Te Waihangā, National Infrastructure Plan, 2026.

²² New Zealand Infrastructure Commission, Te Waihangā, National Infrastructure Plan, 2026.

²³ Sense Partners, New Zealand's Infrastructure Challenge: Quantifying the Gap and Path to Close It, 2021.

²⁴ PwC and Oxford Economics, Global Infrastructure Outlook 2025-50: Investing in Infrastructure, the Platform for Accelerating Human Progress, April 2026.

Evolving the infrastructure ecosystem to create greater certainty and efficiency and facilitate private investment

The Government's growth agenda continues to position infrastructure as a core enabler of economic growth. The key policy direction is to widen the funding base, make consenting and procurement settings more predictable, improve the visibility and credibility of the pipeline, and create clearer entry points for domestic and international private capital.

Create / centralise

National Infrastructure Funding and Financing (NIFFCo) is the Government's investor shopfront for private capital in public infrastructure. It is intended to be a practical entry point for investors, market-led proposals, debt providers, PPPs and IFF opportunities. Recent projects also show the IFF model being applied to wastewater and growth-enabling transport/water infrastructure.²⁵

Fast-track approvals are intended to reduce consenting friction for significant regional and national infrastructure and development projects, although investors should still assess environmental, stakeholder, iwi and community risk carefully.

Develop / prioritise

The 2026 National Infrastructure Plan provides a 30-year pathway and 16 recommendations across four areas: planning what New Zealand can afford; looking after existing assets; prioritising the right projects; and making it easier to build better. It also identifies near-term priorities including hospitals, water renewals, time-of-use charging and road-user charging.²⁶

The National Infrastructure Pipeline is the key source of visibility for planned projects and programmes across central government, local government and private sector participants. It should increasingly support capacity planning and market engagement.²⁷

Amend / enable

The Infrastructure Funding and Financing Amendment Bill was introduced in late 2025 to simplify and broaden the IFF tool, including potential use by NZTA, KiwiRail and new water service organisations where beneficiary-pays funding is appropriate.²⁸

Local Water Done Well has moved into enduring legislative settings through the Local Government (Water Services) Act 2025 and related amendments, creating a framework for financially sustainable delivery models and economic regulation of water services.²⁹

Revise / deliver

The refreshed PPP Framework provides a blueprint for future PPP transactions and is designed to restore market confidence through clearer risk allocation, stronger project discipline and long-term maintenance/service obligations.³⁰

Market-led proposal guidelines provide a pathway for unsolicited private-sector ideas where there is public interest, value for money and a basis for exclusive negotiation.³¹

25 National Infrastructure Funding and Financing Limited (NIFFCo), Investor Shopfront, 2026.

26 New Zealand Infrastructure Commission, Te Waihangā, National Infrastructure Plan, 2026.

27 New Zealand Infrastructure Commission, Te Waihangā, National Infrastructure Pipeline, 2026.

28 New Zealand Parliament, Infrastructure Funding and Financing Amendment Bill, 2025.

29 Local Government (Water Services) Act 2025, Public Act 2025 No 42.

30 The Treasury, New Zealand PPP Framework: A Blueprint for Future Transactions, November 2024.

31 The Treasury, Market-led Proposals: Guidelines for Submission and Assessment, November 2024.

Key sector updates

Where are the investment opportunities?

Key areas where investment is likely to be sought are summarised below (as at mid-2026).

Energy

New Zealand's focus on electrification, energy security and decarbonisation continues to drive significant investment across the energy sector.

Substantial investment is expected in renewable generation, particularly wind, solar and battery storage, as New Zealand works towards its renewable electricity and emissions reduction objectives. Alongside the traditional gentailers, independent power producers and international infrastructure investors continue to play an increasing role in project development and ownership.

A rapidly tightening domestic gas market, declining gas reserves and increasing concerns around security of supply are accelerating investment in alternative energy sources and supporting infrastructure. This is driving increased investment in renewable generation, industrial fuel switching, electricity network upgrades and energy storage solutions. It is also prompting consideration of new energy security infrastructure, including proposals for liquefied natural gas (LNG) import facilities and other flexible fuel supply solutions.

Investment in transmission and distribution infrastructure remains critical to support growing electricity demand, increasing renewable generation and network resilience. Transpower is progressing one of its largest ever capital investment programmes, while electricity distribution businesses are expected to undertake significant expenditure to accommodate electrification, population growth and changing patterns of energy demand.

Telecommunications

New Zealand's telecommunications sector continues to attract infrastructure capital due to its stable regulatory environment and growing digital infrastructure requirements.

Portfolio optimisation remains a defining theme as operators continue to refine ownership structures and recycle capital. Fibre and mobile tower infrastructure continue to attract investor interest, supported by increasing demand for connectivity and digital services.

One of the fastest-growing infrastructure subsectors is data centres. Growth in cloud computing, artificial intelligence, digital services and increasing data sovereignty requirements is driving significant investment in both hyperscale and domestic data centre capacity. This is expected to create ongoing opportunities for investment in data centre developments, supporting energy infrastructure and digital connectivity assets.

The sector is also increasingly focused on network resilience, cybersecurity and supporting growing digital infrastructure requirements across the economy.

Transport

Transport remains New Zealand's largest infrastructure investment sector and is expected to account for a significant proportion of planned public infrastructure expenditure over the coming decade.

The Government's Roads of National Significance programme continues to be a major focus, with alternative funding and financing mechanisms, including tolling and private capital participation, being actively considered for several projects.

In addition to roads, significant investment opportunities are expected across public transport, rail, ports and freight infrastructure. The opening of Auckland's City Rail Link will support further investment in the wider transport network, while decisions on Cook Strait ferry and associated port infrastructure are expected to create additional opportunities.

Improving network resilience, supporting population growth and enhancing freight efficiency remain key investment drivers.



Water

Water infrastructure remains one of New Zealand's largest infrastructure challenges and is expected to require substantial investment over coming decades.

The introduction of Local Water Done Well and increasing regulatory requirements are expected to drive significant investment in drinking water, wastewater and stormwater infrastructure. Many local authorities face substantial renewal requirements, ageing assets and funding constraints.

While direct private capital investment opportunities remain relatively limited in the near term, this is expected to evolve as new water service delivery entities become established and funding and financing arrangements mature. Over time, opportunities may emerge across treatment facilities, network upgrades, digital asset management, operations and maintenance services and alternative delivery models where they can demonstrate improved value-for-money and service outcomes.

Health

New Zealand faces significant long-term investment requirements across its health infrastructure portfolio as assets age and demand for services increases.

Major hospital redevelopments, renewals and maintenance programmes are expected to continue over coming decades. There remains ongoing consideration of alternative procurement and delivery models, including PPP structures where appropriate.

Investment opportunities are expected across hospitals, specialist healthcare facilities, digital health infrastructure and supporting accommodation and services.

Housing

Housing affordability and supply remain key policy priorities.

While the Government has reduced the direct development role of Kāinga Ora, there is an increasing focus on partnerships with Community Housing Providers and the private sector to deliver social and affordable housing.

Demand for both social and affordable housing continues to exceed supply.

The Government continues to promote residential development through planning reform, fast-track consenting pathways and infrastructure funding initiatives. Growth in build-to-rent, affordable housing and urban regeneration projects is expected to create ongoing investment opportunities.

Social infrastructure

Significant investment requirements remain across education, justice, corrections and defence infrastructure.

The Government continues to explore opportunities for private sector participation in the delivery and operation of selected social infrastructure assets. Potential PPP opportunities are expected to continue emerging across corrections, courts, defence and education facilities where long-term value-for-money outcomes can be demonstrated.





07

Treasury

Treasury

New Zealand's currency, the New Zealand dollar (NZD), has been on a free-floating exchange rate since 1985.

“...the NZD ranking among the top 15 most traded currencies globally, despite New Zealand being the 54th largest economy.”

New Zealand's floating exchange rate

As New Zealand relies significantly on external capital, relative interest rates substantially influence the NZD's value. Additionally, the country's status as a leading exporter of agricultural products means commodity prices also play a role in shaping the currency's strength.

The floating exchange rate system allows the NZD to adapt to economic shocks by responding to external events. During periods of global uncertainty or economic downturns, such as the Global Financial Crisis, the early stages of the COVID-19 pandemic or more recently the conflict in the Middle East, the NZD may depreciate sharply.

This depreciation can benefit the economy by making exports more competitive and attracting tourism and investment. Conversely, in times of strong, relative economic growth, the NZD can appreciate, reducing inflation and suppressing net exports. Overall, this system has proven effective, with the NZD ranking among the top 15 most traded currencies globally, despite New Zealand being the 54th largest economy.



Foreign Exchange Market and hedging instruments

Businesses in New Zealand have access to a comprehensive range of hedging instruments to manage foreign exchange (**FX**) risks, which are essential given the NZD's volatility and high degree of trade-related economic activity. The most commonly used tool is the forward exchange contract (**FEC**), allowing companies to fix currency risks for multiple years against major trading currencies like the USD, GBP, EUR, AUD, JPY, CNH, SGD, and THB.

Large New Zealand banks have local dealing desks, though more significant or complex transactions might be handled through their Australian parent banks. Global banks also operate in New Zealand, often leveraging their offshore trading desks in Asia or Australia.

Interest rate markets

New Zealand boasts a robust domestic interest rate market, with overnight index swaps (**OIS**) trading several years out and a traditional swap curve extending up to 15 years. Although liquidity for longer-term swaps is limited, most activity occurs within the 10-year range.

This swap market aligns with the domestic bond market, where issuances beyond 10 years are rare, except for those by the Government or the Local Government Funding Agency (**LGFA**). As noted in the Capital markets section, over 90% of business lending comes from registered banks, which typically hesitate to commit to terms longer than 3-5 years. Consequently, businesses often manage interest rate risks independently, utilising the swap market.

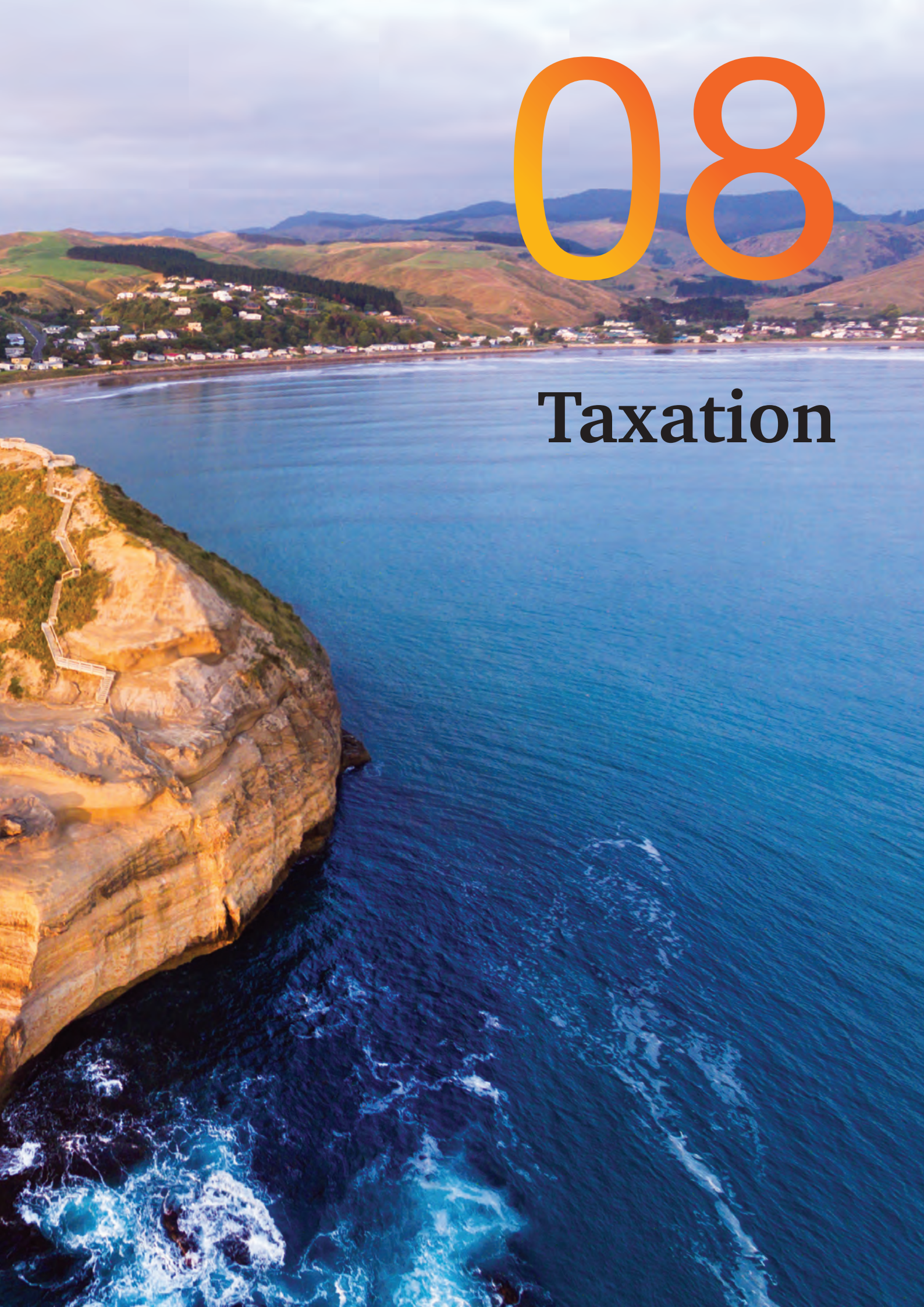
Independent monetary policy and interest rates

The Reserve Bank of New Zealand (**RBNZ**) is tasked with maintaining price stability, promoting sustainable economic growth, and ensuring a sound financial system. A primary tool in its arsenal is the Official Cash Rate (**OCR**), reviewed and set seven to eight times annually, akin to the US Federal Reserve's approach.

The OCR is the rate at which banks borrow and lend funds overnight and serves as a benchmark for various interest rates, including mortgages and business loans. The RBNZ's Monetary Policy Committee (**MPC**) determines the OCR based on economic conditions, inflation projections, and other factors. The OCR also indirectly influences the floating rate BKBM (Bank Bill Key Benchmark Rate), a reference rate used in New Zealand's financial contracts, similar to Australia's BBSW and the now-retired LIBOR in the US/UK.





A scenic coastal landscape. In the foreground, a steep, light-colored rocky cliff drops down to the ocean. Waves are breaking at the base of the cliff, creating white foam. The ocean is a deep blue. In the middle ground, a small town with white houses is built on a green hill. The background features rolling hills and mountains under a cloudy sky.

08

Taxation



Overview of the New Zealand tax system

New Zealand has a broad-base tax system with few exemptions and concessions (with the notable exception that there is no comprehensive capital gains tax). The country's key taxes are income tax, goods and services tax (GST) and payroll taxes. There is no inheritance tax, no stamp duty and no local or state income taxes.

28%

is the flat rate companies are taxed at.

“New Zealand is generally considered to have a favourable tax environment for an investor's earnings and assets.”

New Zealand is generally considered to have a favourable tax environment for an investor's earnings and assets. For example, New Zealand recently introduced the Investment Boost initiative. Investment Boost is an accelerated tax depreciation regime designed to encourage businesses to invest in productive assets. It allows businesses to deduct an immediate 20% of the value of new assets acquired (which are available for use on or after 22 May 2025) in the first year the asset is available for use in New Zealand, on top of normal depreciation for the year (based on 80% of the cost base).

New commercial and industrial buildings, which do not otherwise qualify for tax depreciation deductions, and capital improvements may also qualify. Secondhand assets that were not previously available for use in New Zealand may also attract an immediate 20% deduction. Some assets are not eligible for Investment Boost, including land, trading stock, residential buildings, and fixed-life intangible assets such as patents and some software contracts.

Residency

A New Zealand tax resident's worldwide income is subject to tax in New Zealand.

A non-New Zealand tax resident is also subject to tax in New Zealand to the extent the income has a source in New Zealand.

Tax residency for an individual is generally based on whether the individual has a 'permanent place of abode' in New Zealand or is present in New Zealand for more than 183 days in a 12-month period. Tax residency for a company is generally based on whether the company is incorporated in New Zealand, has its head office or centre of management in New Zealand, or control of the company by its directors is exercised in New Zealand.

New Zealand recently introduced an exemption from the standard 183-day rule for a person who meets the definition of a 'non-resident visitor', which may exempt certain foreign sourced services income earned while temporarily in New Zealand, subject to specific criteria.

Income tax

Currently, individual tax rates are on a graduating scale, with marginal tax rates from 10.5% (on annual income up to NZ\$15,600) to 39% (on annual income over NZ\$180,000). The trustee income tax rate is 39%.

Dividends are subject to income tax in New Zealand and potentially withholding tax if paid

to a non-resident. New Zealand operates an imputation regime that enables New Zealand shareholders to obtain a credit for tax paid at the company level, and provides that fully imputed dividends are not subject to withholding tax.

A business is subject to income tax in New Zealand if it is a business of a New Zealand tax resident, has a sufficient physical presence here, or has New Zealand-sourced income. Relief may be available from New Zealand income tax under New Zealand's double tax treaty network. Taxpayers must register with Inland Revenue (**IR**) and file an annual income tax return. Taxpayers will generally be required to pay provisional tax in three instalments over a year (calculated using a method prescribed by IR). Underpayments and late payments of tax may result in IR charging interest or late payment penalties.

Losses

Tax losses incurred by a taxpayer may be carried forward and offset against future income.

In the case of a company, this is subject to maintaining a 49% continuity of shareholding from the income year in which the loss was incurred to the year in which it is used to offset income. There is no ability to carry back tax losses to prior income years.

For a company, if there is a breach of the 49% shareholder continuity requirement for carrying forward tax losses,

it may still be possible for the company to carry forward tax losses if it satisfies the business continuity test (**BCT**). The BCT will generally allow tax losses to be carried forward if there is no 'major change' in the nature of the company's business activities within five years of the continuity breach, and other criteria are met.

Whether a major change has occurred will be assessed based on factors such as:

- Assets used
- Business processes
- Use of suppliers
- Markets supplied to
- Type of product or service supplied

A tax loss of a company may be made available to another company in certain circumstances where both companies are in the same group of companies and other conditions are also met.

Employment tax

Businesses intending to employ people in New Zealand must register with IR.

Filing requirements depend on the number of people being employed. Employer tax obligations include KiwiSaver contributions, PAYE, and employer superannuation contribution tax (**ESCT**). If a business provides a benefit to an employee outside of normal salary and wages, the employer may be subject to fringe benefit tax (**FBT**).

Tax obligations in respect of contractors are different to those that apply in respect of employees. New Zealand taxpayers need to ensure that staff and contractors are classified appropriately (see Employment section). A non-resident visitor's services income is excluded from the schedular payment rules, FBT, and ESCT.

Withholding tax

New Zealand imposes resident withholding tax (**RWT**) on passive income paid to residents (e.g. interest and dividends) and non-resident withholding tax (**NRWT**) on passive income paid to non-residents (e.g. interest, dividends and royalties), subject to any applicable double tax agreement. New Zealand borrowers may be able to apply New Zealand's approved issuer levy regime to reduce the withholding tax cost on interest paid to a third party non-resident lender.

Withholding tax is also imposed on other types of payments, including payments to non-resident contractors, entertainers and sportspeople, and New Zealand contractors within specified industries. Exemption certificates can be obtained in specified circumstances.

Goods and services tax

New Zealand imposes a goods and services tax (**GST**) at a rate of 15% of the value of supplies of goods and services in New Zealand (subject to certain

exclusions). GST is also charged on imported goods and certain imported services, including remote services.

Taxpayers are required to register for GST and file regular returns if they make (or expect to make) supplies worth more than NZ\$60,000 in a year.

Importers

The majority of goods imported into New Zealand are subject to GST at 15% of their declared customs value, being the total of the value of goods, any amount of tariff duty (if any), and international transportation and insurance costs (special rules apply to low-value imported goods equal to or less than NZ\$1,000).

The import GST can be recoverable via the importer's GST return if the importer of record is GST registered and uses (or makes available to use) the goods for its taxable supplies in New Zealand. Tariff duty may apply based on the value of the item imported, at a rate that depends on the tariff classification of the item and its country of origin.

Transfer pricing

New Zealand's transfer pricing rules require cross-border transactions between related parties to be priced on arm's length terms. The transfer pricing regime is focused on economic substance over legal form, making it critical that cross-border arrangements

(and ultimately, the taxable profits of a New Zealand entity) align with the level of economic activity undertaken in New Zealand.

New Zealand typically follows OECD guidance as to how an arm's length price should be determined. However, there are unique rules which apply to the deductibility of interest where total cross-border related-party debt exceeds NZ\$10 million. Simplification measures are also available to support taxpayers with managing their local compliance burden provided certain criteria are met.

Obtaining contemporaneous New Zealand-specific transfer pricing documentation places taxpayers in the strongest position to defend the transfer pricing position taken during a given financial year and to mitigate the risk of penalties being imposed.

Thin capitalisation

New Zealand also has a thin capitalisation regime that limits the deductibility of interest in New Zealand for foreign owned entities depending on the debt to asset ratio in New Zealand, and of the owner's worldwide group.

Pillar Two – global minimum effective tax rate

Following the OECD-led initiative, New Zealand has introduced legislation that gives effect to the global minimum

effective tax rate rules (referred to as Pillar Two). New Zealand has incorporated Pillar Two by reference to the relevant OECD materials, meaning that New Zealand's rules are intended to update as Pillar Two continues to develop at the OECD. New Zealand's rules apply to fiscal years beginning on or after 1 January 2025.

At a high level, large multinational groups within the scope of the rules, broadly with consolidated group revenue of €750m or more in at least two of the four preceding fiscal years, may be required to pay tax at a minimum effective tax rate of 15% on their profits in each jurisdiction. Pillar Two has implications for groups headquartered in New Zealand and for groups headquartered outside New Zealand but with a New Zealand presence.

Groups with a New Zealand presence that are within the scope of the rules must register with IR. The registration is required six months after the end of the ultimate parent entity's first fiscal year in which the group has a New Zealand constituent entity under the applied GloBE rules.

In-scope groups may also have GloBE Information Return and annual Multinational Top-Up Tax Return obligations.

Failure to meet the registration or filing requirements may result in penalties of up to NZ\$100,000.

New Zealand has not introduced a Qualified Domestic Minimum Top-Up Tax, although further domestic implementation

measures are being considered. The applied GloBE rules consist of an Income Inclusion Rule (**IIR**) including a domestic IIR (**DIIR**) and an Undertaxed Profits Rule (**UTPR**). The IIR and UTPR apply for fiscal years beginning on or after 1 January 2025.

The DIIR, which applies to New Zealand-headquartered MNE groups only, applies for fiscal years beginning on or after 1 January 2026. The DIIR is intended to allow New Zealand to tax domestic undertaxed profits of New Zealand-headquartered MNE groups, rather than that top-up tax being collected by other jurisdictions under the GloBE rules. Depending on the circumstances, this may bring amounts into the New Zealand top-up tax calculation that are not otherwise subject to tax under ordinary New Zealand income tax rules.

Double tax agreements

New Zealand has a network of 41 double tax agreements with its main trading partners and is a party to the OECD's Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (**MLI**).

New Zealand has an intergovernmental agreement with the USA in relation to its FATCA regime and is a party to the OECD's Automatic Exchange of Information initiative.

New Zealand also has a number of Tax Information Exchange Agreements in force with various jurisdictions.

15%

GST the majority of goods imported into New Zealand are subject to.

\$60k

Taxpayers are required to register for GST and file regular returns if they make (or expect to make) supplies worth more than NZ\$60,000 in a year.

\$100k

Failure to meet the registration or filing requirements may result in penalties of up to NZ\$100,000.

41

New Zealand has a network of 41 double tax agreements with its main trading partners.



09

Property





Property

In New Zealand, all land titles are maintained in a comprehensive, searchable online registry (Land Information New Zealand (LINZ)), with the Government guaranteeing the completeness of these records.

Title to land

In New Zealand, all land titles are maintained in a comprehensive, searchable online registry, with the Government guaranteeing the completeness of these records.

The LINZ register ensures a high level of certainty and security when purchasing and holding title to land. The process of acquiring and transferring land can be made reasonably straightforward when guided by experienced property law practitioners.

New Zealand law recognises various forms of land ownership and tenure, including freehold, leasehold, unit title and cross lease ownership. Land may also be subject to other registered or unregistered rights and interests, including leases, easements, covenants and mortgages. In addition, licences may confer personal rights to use land, without creating an estate or

interest in the land. Certain land and resource rights are subject to specific statutory regimes. These include rights relating to minerals and other natural resources, as well as rights and restrictions associated with Māori land. Dealings with Māori land may be subject to Te Ture Whenua Māori Act 1993 and Māori Land Court requirements. With the exception of the Overseas Investment regime (see Overseas investment regulations at section 5), there are no other distinctions between domestic and overseas purchasers of land.

“New Zealand law recognises various forms of land ownership and tenure, including freehold, leasehold, unit title and cross lease ownership.”

Purchasing land

In New Zealand, the usual process for acquiring residential or commercial property begins with undertaking due diligence investigations of a property and signing an agreement for sale and purchase of real estate. However, agreements for sale and purchase of real estate often include conditions that provide a purchaser with an opportunity to conduct due diligence on the property after signing the agreement.

Common conditions of sale may include:

- Reviewing records of title and a Land Information Memorandum for the property.
- Completing a satisfactory building inspection.
- Resolving any resource management issues.
- Confirming sufficient finance to complete the purchase.
- In respect of leased commercial or industrial buildings, reviewing those leases.

Tax on land held as an investment property

New Zealand taxes net rental income derived from real property. Net rental income is generally calculated by deducting allowable rental expenses from gross rental income. The applicable income tax rate will depend on the tax profile of the property owner. From the 2024-25 income year, the ability to claim tax depreciation on commercial and industrial buildings ceased to be available, although depreciation can still be claimed on commercial fit-outs. Similarly, tax depreciation is not available for residential buildings, including most build-to-rent developments. Inland Revenue prescribed depreciation rates must be used for tax purposes irrespective of what rates are adopted for accounting purposes. From 22 May 2025, a separate 20% Investment Boost deduction may be available for qualifying new investment assets (see Taxation, section 8).

This can include certain commercial and industrial buildings, even where the depreciation rate is 0%, but it does not apply to dwellings.

Deductions for interest are generally available in relation to borrowing used to acquire commercial property, subject to several restrictions including the general anti-avoidance provisions, thin capitalisation, transfer pricing and anti-hybrid rules. As of 1 April 2025, interest deductions are generally available for 100% of interest incurred on borrowing used for residential rental property, subject to the general deductibility rules and any applicable private-use or mixed-use limitations.

Tax on disposable land

While New Zealand does not have a comprehensive capital gains tax, there are a number of land taxing provisions that may apply to tax gains on the sale of land that would otherwise be considered a capital investment.

These include, for example:

- **Bright-line test**
A bright-line test applies to residential land sold within two years of acquisition. The current rules provide that on such sale, any gain on the sale price may be taxable, except in certain circumstances such as when the property is used as the seller's main home.

- **Dealer, developer, or builder rules**

Gains from land sales may be taxed if the land was acquired by individuals or entities engaged in land dealing, development, or building activities, or by those associated with such persons.

- **Land development for sale**

Gains from land disposals may be taxable where the acquirer carries on a business of land dealing, land development or building, or is associated with someone who does.

- **Purpose or intention of disposal**

Gains may be taxed if the land was acquired with the purpose or intention of resale at a profit.

Commercial leases

In New Zealand, commercial leases are typically governed by a combination of statutory law, such as the Property Law Act 2007, and the specific terms and conditions outlined in individual lease agreements.

Many commercial leases in New Zealand use standard form agreements, such as those provided by The Law Association (TLA). These forms are widely recognised in New Zealand and provide a comprehensive framework for both landlords and tenants, although they may be modified to suit specific needs.

The common lease terms that can be negotiated between the landlord and tenant are:

- **Lease term**

The length of the lease term, including any rights of renewal.

- **Rent and rent reviews**

The initial rent, the frequency of rent reviews and the review mechanism. Common review methods include market reviews, CPI-based reviews and fixed increases.

- **Outgoings**

Tenants are usually responsible for paying outgoings in addition to rent, which can include insurance, utilities, and maintenance costs.

- **Repair and maintenance obligations**

The lease will set out the respective repair and maintenance obligations of the landlord and tenant.

- **Assignment and subletting**

Leases usually include provisions regulating the assignment or subletting of the lease, including the process for obtaining landlord consent.

- **Reinstatement**

Reinstatement refers to the tenant's obligation to return the premises at the end of the lease term in the condition required by the lease, usually excluding fair wear and tear.

- **Default and termination**

The lease will set out the events of default, any applicable remedy periods, and the process for termination if the default is not remedied.

There are also terms implied in leases under the Property Law Act 2007 unless they are expressly negated or varied by the terms of the lease. Additionally, both landlords and tenants must comply with other relevant legal requirements, including health and safety regulations, building codes, and any applicable zoning laws.

Environmental management

New Zealand has strong cultural respect for the natural environment which is reflected in our legislation. New Zealand's resource consent framework is a primary consenting process for activities which affect the environment, and deals with the management of natural and physical resources such as air, soil, freshwater and coastal marine areas.

The resource consenting regime is principally governed by the Resource Management Act 1991 (RMA). The RMA has been subject to significant recent scrutiny and is currently undergoing major reform. The Government has introduced two Bills – the Planning Bill and the Natural Environment Bill – which are intended to replace the RMA and establish a new planning and environmental management system.

The Bills passed their third and final readings in Parliament on 22 September 2026 and are awaiting Royal Assent. Under the current regime, many development and infrastructure projects are required to obtain various types of consents prior to commencement. Consents include subdivision consent, land use consent, coastal permits, water permits and discharge permits.

Navigating these consent processes requires a thorough understanding of both the legislative requirements and the ecological significance of the activities involved. Engaging with environmental and legal experts is advisable to ensure compliance and to promote sustainable development practices.

Building standards and consents

In addition to the resource consent regime, the Building Act 2004 and the New Zealand Building Code provide performance standards for all building work in New Zealand, covering aspects such as structural stability, fire safety, access, moisture control, durability and energy efficiency.

There is an increasing focus in New Zealand on sustainable and resilient building practices, including through updates to Building Code settings relating to energy efficiency and building performance. The Building Act 2004 is the primary legislation governing the construction, alteration, demolition and maintenance of buildings in New Zealand, and the Building Code sets the minimum performance requirements for building work.

Building consents are issued by building consent authorities, which are usually the relevant territorial authority or local council.

Seismic activity is a particularly relevant consideration in New Zealand. New building work must comply with the structural performance requirements of the Building Code, including requirements relating to earthquake loads. Existing buildings may also be subject to the earthquake-prone buildings regime under the Building Act 2004, where applicable. Reforms to the earthquake-prone buildings system are currently underway, with the Building (Earthquake-prone Buildings) Amendment Bill now before Parliament.







10

Employment

Employment

New Zealand's employment law framework is generally considered to be 'employee-friendly' and places relatively onerous obligations on employers, compared to other similar jurisdictions. However, reforms to New Zealand employment laws in 2026 were intended to 'even the ledger' and are expected to have a significant impact on the employment relations landscape.

The employment landscape in Aotearoa New Zealand

The Employment Relations Act 2000 (**ERA**) is the primary piece of legislation that governs relationships between employees and employers in New Zealand, and establishes an employment dispute resolution framework. New Zealand is a common law country, with a separate labour jurisdiction made up of the Employment Relations Authority (a quasi-judicial tribunal) and the Employment Court (which determines legal disputes and interprets employment legislation).

Recent amendments to the ERA reflect a shift towards greater flexibility and certainty for employers, particularly in relation to contractor status, personal grievance remedies and unjustified dismissal claims for higher-income employees.

These changes are explained in further detail below.

The unemployment rate was 5.6 percent in the June 2026 quarter, slightly up from 5.4% in the March 2026 quarter.³² Against a backdrop of legislative reform, employers in New Zealand should ensure they have a good understanding of their legal obligations and are set up for success with compliant employment documentation and processes.

Minimum entitlements

New Zealand employment law provides for a set of minimum entitlements that must be complied with.

Minimum wage

All adult employees must be paid the minimum wage. From 1 April 2026, the minimum wage

in New Zealand is NZ\$23.95 per hour, before tax. A lower starting-out wage and training wage may apply in limited circumstances, including for certain younger employees entering the workforce and employees undertaking recognised industry training. From 1 April 2026, these rates are both \$19.16 per hour, before tax.

Paid time off

Each year, employees are entitled to 12 public holidays, four weeks of paid annual leave (after 12 months of continuous employment) and paid sick leave (10 days), family violence leave and bereavement leave. The Holidays Act 2003 (**Holidays Act**) governs these minimum entitlements and is a complex piece of legislation which has given rise to compliance issues for many businesses in recent years.

³² Stats NZ, Labour market statistics: March 2026 quarter (5 August 2026) <https://www.stats.govt.nz/news/unemployment-rate-at-5-6-percent-in-the-june-2026-quarter/>

Parliament has recently passed the Employment Leave Act 2026, which will replace the Holidays Act with a new framework intended to provide simpler and clearer methods for accruing, calculating and paying employee leave entitlements. The Act received Royal Assent on 6 August 2026 and will generally come into force on 6 August 2028. During the two year transition period, employers must continue to comply with the Holidays Act.

Parental leave

Eligible employees are entitled to up to 52 weeks unpaid parental leave, with up to 26 weeks paid by the Government. Some larger employers also offer parental leave policies that provide more generous entitlements than the statutory minimum, such as employer-funded 'top-ups', additional paid leave, or additional return-to-work support.

Good faith

The statutory duty of good faith is the equitable cornerstone of employment relations in New Zealand. It requires parties in an employment relationship to be responsive and communicative, and to not mislead or deceive the other. As a general rule, employers must consult with employees before taking any action that might impact the workforce, particularly before making any changes that may affect ongoing employment.

Employment agreements

All employees must have written employment agreements containing certain mandatory terms. Employment agreements may take the form of an individual agreement between an employer and employee, or a collective agreement if employees are members of a trade union.

Most employees in New Zealand work on a permanent basis. A person can also be employed on a fixed-term or casual basis. There are different legal requirements and entitlements for different types of employment relationships.

Dismissal

Employers cannot 'fire at will' in New Zealand. Subject to limited exceptions, which we have set out below, termination must meet the statutory test of justification, meaning it must be justified by one of a limited set of reasons (for example, misconduct, performance issues, redundancy or incapacity) and there are procedural requirements that must be followed.

A new employee's employment may be subject to a trial period of 90 days or less to test their suitability for the role. An employer may dismiss an employee on notice during the trial period, if certain strict processes are followed, in which case the employee is not able to bring an unjustified dismissal claim.

Additionally, a high-income threshold for unjustified dismissal claims is now in place following the passing of the Employment Relations Amendment Act 2026. Employees earning NZ\$200,000 or more per year under new employment agreements are generally unable to raise a personal grievance for unjustified dismissal, or for unjustified disadvantage relating to dismissal. For existing employees, a 12-month transition period applies, meaning the threshold will not apply until 21 February 2027. The policy rationale for the change is to give employers greater flexibility and certainty when managing high-income roles that can have a significant impact on organisational performance.

The recent amendments also limit potential remedies for all employees where their conduct has contributed to the circumstances giving rise to a personal grievance. In particular, the Employment Relations Authority or Employment Court must not award any remedy where the employee's conduct amounts to serious misconduct.

Redundancy

New Zealand employees are not entitled to any statutory compensation or severance payments. However, there may be a right to compensation as agreed in the employment agreement. All employees are entitled to their contractual notice period, as well as any outstanding salary and annual leave entitlements if they are made redundant.

Employees in specific industries (e.g. cleaning services, food catering and aged care), where jobs are particularly vulnerable to restructuring, have additional statutory protections under the ERA.

Dispute resolution

Currently, all employees who believe they have been treated unfairly have access to New Zealand's personal grievance regime. A personal grievance is a particular type of complaint which must be made to the employer within 90 days of any alleged instance of discrimination, harassment, bullying, or any disadvantage or dismissal (or, in the case of alleged sexual harassment, within 12 months of the event occurring).

If a dispute cannot be resolved directly between an employee and employer, the Government provides a free mediation service. A dispute that cannot be resolved at mediation may be escalated to the Employment Relations Authority, or on appeal, to the Employment Court. The vast majority of employment relations disputes are resolved by way of a confidential settlement agreement before, or at, the mediation stage.

Collective representation

Employees in New Zealand can choose whether to join a trade union. Employers, unions and employees are encouraged to work together and have a statutory duty to do so in good faith.

As at 1 March 2025, registered union membership in New Zealand was 435,110, representing approximately 18% of employees, or around 15% of the broader employed labour force.³³ The public and community services industries (such as health care and social assistance, public administration and safety, and education and training) are currently the most unionised sectors.

The Employment Relations Amendment Act 2026 has now removed the previous '30-day rule'. New employees whose work is covered by a collective agreement no longer need to start employment on the terms and conditions of that collective agreement for their first 30 days. Instead, employees may choose to join the applicable collective agreement or agree to an individual employment agreement from the outset. Employers no longer need to provide an 'active choice' form, but must still provide new employees with information to help them make an informed decision about union membership.

Independent contractors

Businesses can also engage independent contractors to provide services. Independent contractors are not afforded the same minimum statutory entitlements as employees and are responsible for meeting their own tax obligations.

Contractors can challenge their status in the courts if they believe they are not genuine contractors, and should be classified as employees (despite any contractual or other documentation to the contrary). If they are successful, this can give rise to liabilities for minimum entitlements under employment legislation and tax issues for the employer.

The Employment Relations Amendment Act 2026 has introduced a new 'gateway test' to provide greater certainty when assessing worker status. If all of the gateway test criteria are met, the worker will be treated as an independent contractor. This marks a shift from the previous approach, which focused on the real nature of the relationship and how it operated in practice, rather than solely on the terms of the written contract. If the gateway test is not met, the existing common law tests will continue to apply.

³³ Companies Office, Union membership return report 2025 (as at 1 March 2025) <https://www.companiesoffice.govt.nz/all-registers/registered-unions/annual-return-membership-reports/2025/>.

The gateway test came into force on 21 February 2026 and is not retrospective, so businesses should review both their contractor documentation and how their contractor arrangements operate in practice.

Health and safety

The Health and Safety at Work Act 2015 and related regulations set out New Zealand's workplace safety regime.

Businesses are responsible for the health and safety of their workers (including employees and any independent contractors) and anyone affected by their work, and must provide and maintain a safe working environment, taking into consideration both physical and mental wellbeing.

In the case of a breach, a business and its officers (including directors) can be prosecuted in the criminal courts by the regulator, WorkSafe New Zealand, and significant penalties can be imposed (including fines and, in the case of officers of offending employers, imprisonment).

The Health and Safety at Work Amendment Act 2026 has been enacted and will come into force on 1 April 2027. The amendments are intended to refocus the health and safety regime on the management of 'critical risks', reduce unnecessary compliance costs and provide businesses with greater certainty about their obligations.

Until the amendments come into force, businesses must continue to comply with the existing regime.

Insurance

Accident Compensation Corporation (**ACC**) is a form of social insurance which provides personal injury cover for everyone in New Zealand. It is a no-fault system that provides compensation to people who are injured in accidents (including those suffered at work). Legal action for personal injury is generally prohibited in New Zealand.

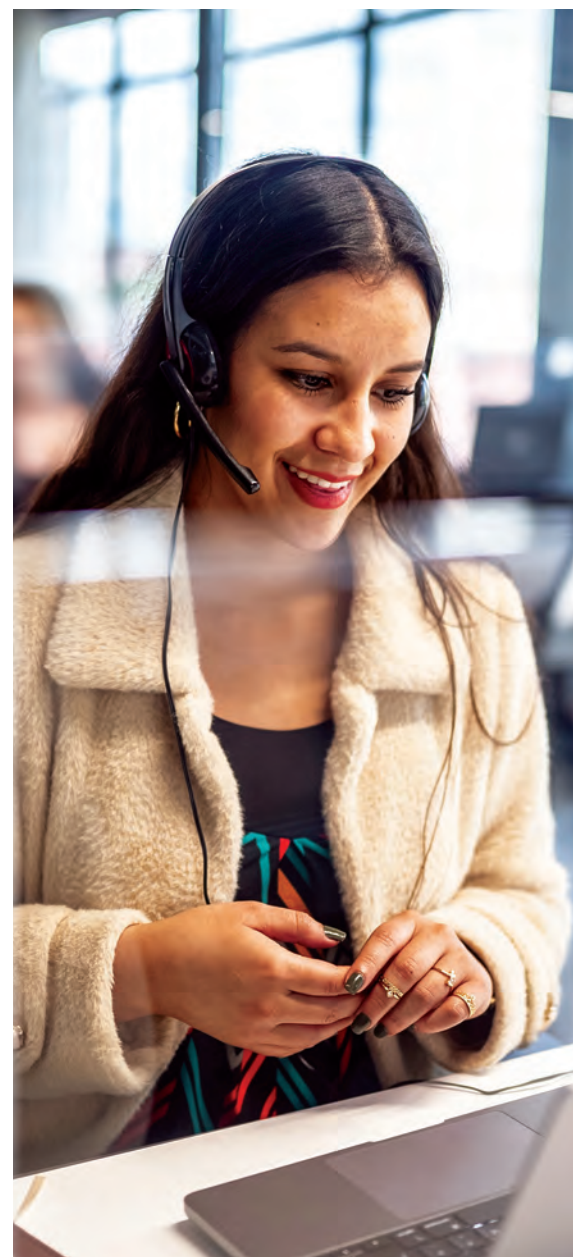
Employers in New Zealand are not required to offer health insurance to employees, but they must contribute to ACC through regular levies. Employers that do not pay ACC levies can be liable for significant penalties.

KiwiSaver

KiwiSaver is a voluntary, work-based savings scheme designed to help New Zealanders save for their retirement. While KiwiSaver is not compulsory, employees must 'opt-out', meaning employers must enrol any eligible new hires and provide them with opt-out information. It is possible that there will be changes ahead for KiwiSaver, including the possibility of participation in KiwiSaver becoming mandatory, depending on the outcome of this year's general election.

Employees that participate in KiwiSaver must contribute a defined percentage of their before-tax earnings (at least 3.5%). These contributions are deducted by their employer each time they are paid. Separately, employers must also make a compulsory contribution of at least 3.5% of each participating employee's before-tax salary or wages. Private superannuation schemes are fairly uncommon in New Zealand.

On 1 April 2028, employee and employer KiwiSaver contributions will rise to 4%.





The background of the slide is a blurred photograph of a street scene at sunset. The sky is a warm orange, and the street is filled with the soft glow of the setting sun. In the foreground, on the left side, a hand is holding a smartphone, with only the top part of the device visible. The overall mood is warm and serene.

11

Privacy

Privacy

Data privacy

Data privacy in New Zealand is governed by the Privacy Act 2020 (**Privacy Act**).

The Privacy Act sets out how individuals and organisations (both public and private) can collect, hold, use, and disclose personal information. Personal information means any information about an identifiable individual (for instance, an individual's name, address, financial information, or health details).

Any organisation carrying out business in New Zealand, providing services to New Zealanders, and/or collecting their personal information for its own purposes, is subject to the Privacy Act.

Information privacy principles

The Privacy Act contains a set of information privacy principles. These information privacy principles provide the substantive requirements for collecting and using personal information and are similar to the information privacy regime in Australia. Broadly, they are as follows:

1	Data minimisation	Only collect information necessary for your lawful purpose and nothing more.
2	Source of information	Collect the information directly from the individual concerned.
3	Transparency	When collecting information directly from the individual, make the individual aware of a number of elements including why the information is being collected; and when collecting personal information indirectly, take reasonable steps as soon as reasonably practicable after collection to ensure the individual is aware of specified matters, unless an exception applies.
4	Manner of collection	Collect the information in a fair and lawful way without being unreasonably intrusive.
5	Security	Implement security safeguards to protect the information from being lost, misused, or disclosed.
6	Access	Individuals have the right to access their personal information.
7	Correction	Individuals are entitled to request corrections to their personal information.
8	Accuracy	Take reasonable steps to ensure the personal information is current, complete, and not misleading.
9	Storage limitation	Ensure personal information is not held longer than necessary.
10	Use of personal information	Only use personal information for the purpose it was collected.
11	Disclosure limitation	Keep personal information confidential unless permitted to disclose it under the Privacy Act.
12	Transfer of personal information outside Aotearoa New Zealand	Disclose personal information outside New Zealand only if the required statutory safeguards under the Privacy Act are in place.
13	Unique identifiers	Ensure unique identifiers used by other companies are not replicated (for instance, requiring an individual to use their tax number to identify them to you).

The Privacy Act applies to offshore persons carrying on business in New Zealand, regardless of where the information is collected or held, and where the person to whom the information relates is located. If you plan to collect and/or use personal information as part of carrying out business in New Zealand, we recommend that you assess your operations against the 13 Information Privacy Principles set out in the Privacy Act.

All organisations carrying on business in New Zealand³⁴ (and subject to the Privacy Act) must appoint a privacy officer – a person who will ensure the organisation is compliant with the Privacy Act.

The New Zealand Office of the Privacy Commissioner (**OPC**) is responsible for monitoring and enforcing compliance with the Privacy Act. The Privacy Act requires organisations to notify the OPC where there has been a notifiable privacy breach (for instance, a cyber attack or an incident which means that personal information has been lost or exposed and this has caused, or is likely to cause, serious harm). OPC guidance is that this notification should happen within 72 hours. You may also be required to notify the individuals who have been impacted by a privacy breach.

Failure to report a notifiable privacy breach to the OPC without reasonable excuse is a criminal offence, with a maximum fine of NZ\$10,000.

Complaints about a breach of the Information Privacy Principles are investigated by the OPC and may be referred to the Director of Human Rights Proceedings (**DHRP**) if the matter is not able to be resolved by the OPC. The DHRP has the ability to bring the matter before the Human Rights Review Tribunal (**Tribunal**) and the Tribunal can award damages for a breach of privacy (up to a maximum of NZ\$350,000). The Privacy Act allows a class action mechanism for individuals impacted by a breach of privacy. Using this mechanism, a representative may bring a class action to the Tribunal for an interference with their privacy on behalf of a class of individuals.

Consumer data right (CDR)

The Customer and Product Data Act 2025 established a Consumer Data Right (**CDR**) framework in New Zealand.

CDR means consumers can now request that their personal data, as well as product data, is securely shared with trusted third parties. With greater control over their data, consumers can more easily make decisions about how and where they spend, save and invest.

The Customer and Product Data Act 2025 creates a common legal framework, and then the Government applies it sector by sector through separate designation regulations and sector standards. Banking is the first sector to be formally designated, and the relevant banking standards came into force on 1 December 2025. The development of CDR in the banking sector is anticipated to open up opportunities for new financial technology companies to enter the market as ‘accredited requesters’. This development provides competition, not only for the services currently offered by banks, but also new and innovative services.

The Government has decided to designate the retail electricity sector as the next sector under the CDR. The detailed regulations and standards are being developed in 2026, with regulated ‘open electricity’ expected to become fully operational from mid-2027.

³⁴ The Privacy Act does not use the same definition of ‘carrying on business’ as the definition used to determine whether overseas companies must register as a branch in New Zealand.



12

Intellectual property



Intellectual property

New Zealand has a comprehensive and robust legal regime for the protection of intellectual property rights. These laws are aligned with international norms, with New Zealand being a signatory to a number of international intellectual property treaties and conventions, including TRIPS, the Paris Convention, the Berne Convention, the Patent Cooperation Treaty, the Singapore Treaty, and the Madrid Protocol.

Many New Zealand companies are adept at developing valuable intellectual property and often seek out offshore capital to enable them to deploy the intellectual property, both domestically and for sale or licence overseas. The robust intellectual property regulatory system in New Zealand is attractive to foreign investors, as it establishes the framework for protecting their investment in new products, brands and ideas while allowing firms to drive innovation and productive uses of these assets.

We recommend registering any trade marks intended to be used by the business, as registered trade marks are usually cheaper and easier to enforce than unregistered trade mark rights.

Trade marks

Trade marks can be registered in New Zealand under the Trade Marks Act 2002. A trade mark grants the owner the exclusive right to use that trade mark in New Zealand in relation to the goods or services for which it was registered, as long as the registration is renewed every 10 years. Trade marks that qualify for registration can include signs, symbols, words, logos, shapes, colours, sounds, and smells. New Zealand is a signatory to the Madrid Protocol, which facilitates trade mark applications internationally and into New Zealand.

Both registered and unregistered trade marks are protected under the common law tort of passing off and the Fair Trading Act 1986 (FTA). A passing off action can be used to prevent use of an identical or similar trade mark by third parties where that use is likely to lead the public to believe that the third party is the same as or related to the trade mark owner.

The FTA prohibits misleading and deceptive conduct in the course of trade, which includes misleading use of someone else's trade mark. The scope of protection under passing off and the FTA will depend on the use and reputation of the trade mark, and generally registration of your trade mark provides better protection.



“Copyright applies automatically on the creation of certain original works, including writing (literary works), artistic works, music, sound and video recordings, designs, and software code.”

Copyright

Copyright applies automatically on the creation of certain original works, including writing (literary works), artistic works, music, sound and video recordings, designs, and software code.³⁵ Copyright duration depends on the category of work, but is generally the life of the author plus 50 years (the Government has announced it has intentions to increase it to 70 years by 1 May 2028). The Copyright Act 1994 also provides protection for industrial designs for a period of 16 years from the date of first mass production.

Tax

There are a number of key tax considerations for foreign investors that develop, acquire, or commercialise intellectual property in New Zealand. During the early research and development stages, research expenditure is generally deductible in the year incurred, and this can include expenditure recognised as an expense for financial reporting purposes. Conversely, a tax depreciation deduction may be available where depreciable intangible property expenditure is capitalised and amortised over the life of the asset.

³⁵ The Copyright Act 1994 includes provisions for ‘computer-generated’ works, but their application to generative AI outputs remains unsettled and the Government has signalled that it is considering the copyright framework for generative AI. Copyright subsistence and ownership in AI-assisted or AI-generated works should be assessed case-by-case, including by reference to human creative input, AI provider terms, and third-party rights.

Subject to specific criteria, it is also possible to claim a deduction for unsuccessful software development costs. At the commercialisation stage, effective structuring will be important where intellectual property is deployed offshore. Royalties paid by a New Zealand business to a non-resident for the use of intellectual property in New Zealand are generally subject to non-resident withholding tax, subject to any applicable double tax agreement. Cross-border related party licensing arrangements and other intellectual property arrangements must also comply with New Zealand's transfer pricing rules.

Tax considerations will also apply on the acquisition or sale of intellectual property and will depend on the types of intellectual property involved.

New Zealand offers a Research and Development (R&D) Tax Incentive to encourage businesses to invest in innovation in New Zealand. The tax incentive provides a tax credit at a rate of 15% of eligible R&D spend, up to NZ\$120 million a year, which is broadly refundable as cash. Subject to certain restrictions, entities may be eligible for the incentive even when the R&D is performed on behalf of a related party or the IP generated is held internationally within the group, or if being performed in New Zealand through a permanent establishment.

Registered designs

The Designs Act 1953 governs the registration of 'designs' applied to an article (by an industrial process or means) that are new or original features of shape, configuration, pattern or ornament. Protection through registration can last up to 15 years, subject to the payment of renewal fees.

Patents

Patents grant the owner the exclusive right to exploit their inventions and licence them to others for a period of up to 20 years, subject to the payment of annual renewal fees after the first four years. The invention must be novel, inventive, and useful. Novelty is assessed on an absolute (or worldwide) basis. It also means that your invention must remain confidential (and not be in use or widely known) until you seek patent protection.

In New Zealand, patents are examined for patentability prior to grant. There are pre-grant opposition processes available should third parties wish to challenge a patent, and re-examination and revocation processes post-grant.

Other intellectual property rights

New Zealand legislation also provides protection for:

- Plant varieties.
- Geographical indications, including registered New Zealand wine and spirit geographical indications and protected EU geographical indications for a wider range of products, mostly foods and beverages, under the New Zealand-European Union Free Trade Agreement.
- Layout designs for integrated circuits.
- Ambush marketing in connection with designated major events.
- Moral rights.

Checking for prior conflicting intellectual property rights will also be important before launching a new business, brand, product or service in New Zealand.

13

Contracts and consumer protection



Contracts and consumer protection

New Zealand's contract law is founded on English common law principles and supplemented with various pieces of legislation.

Its objective is to facilitate business arrangements on commercially agreed terms and generally without the courts having to intervene unless it is absolutely necessary.

The application of contract law in New Zealand is the same regardless of whether the contracting parties are foreign-owned or New Zealand-owned. It is possible, however, to select the jurisdiction that will govern the contract and where any disputes must be heard – this can be done on either an exclusive or non-exclusive basis.

Contract and Commercial Law Act 2017

The Contract and Commercial Law Act 2017 (**CCLA**) provides a 'one-stop-shop' for various rules that relate to issues that commonly arise in contractual arrangements. For example:

Contractual privity

The CCLA permits a person who is not a party to a deed or contract to enforce a promise made in it for the benefit of that person.

Mistakes, frustration and misrepresentation

The CCLA outlines the remedies available where a contract contains a mistake, is impossible to perform, or has been entered into on the basis of a misrepresentation (subject to the satisfaction of certain criteria).

The sale of goods

The CCLA implies various rights and obligations into contracts relating to the sale of goods, unless, where permitted, the parties expressly agree otherwise. For example, the CCLA specifies when property and risk will pass from seller to buyer. It also imposes minimum conditions and warranties about the quality of goods to ensure that the goods are reasonably fit for purpose.

Electronic transactions

Technology and electronic means may be used to conclude transactions, subject to default rules implied by the CCLA. For example, electronic signatures may be used to sign contracts in place of wet-ink, provided that they meet certain identification and reliability criteria.

Remedies

Depending on the relevant contractual situation, the CCLA provides the courts with the power to provide relief in any form that it thinks is just, such as variation or cancellation of the contract and/or damages.

Consumer protection

New Zealand's trade practices and consumer protection regimes are governed by the following legislation:

- Commerce Act 1986
- Fair Trading Act 1986
- Consumer Guarantees Act 1993
- Credit Contracts and Consumer Finance Act 2003

Commerce Act 1986

The Commerce Act 1986 (**Commerce Act**) protects consumers by regulating commercial conduct to promote competitive markets within Aotearoa New Zealand.

The Commerce Commission was established by the Commerce Act to enforce competition and fair trading laws. To do so, the Commerce Commission has the ability to clear and authorise business mergers and acquisitions, regulate certain goods and services, receive and investigate complaints under the Commerce Act, as well as prosecute alleged contraventions of the same (see Mergers and Acquisitions at section 4).

“The Commerce Commission was established by the Commerce Act to enforce competition, fair trading and consumer credit laws.”

Fair Trading Act 1986

The Fair Trading Act 1986 (**FTA**) regulates conduct and practices in trade to protect consumers.

Notably, the FTA:

- Prohibits misleading and deceptive conduct in trade, as well as unsubstantiated, false or misleading representations.
- Prohibits ‘unconscionable conduct’ in trade broadly being unfair and unreasonable conduct, and which can involve a one-off activity or a system or pattern of conduct.
- Prohibits ‘unfair practices’ in trade such as offering gifts and prizes without intending to supply them, bait advertising, and pyramid selling schemes.
- Prohibits unfair terms in standard form consumer contracts (business-to-consumer) and small trade contracts (business-to-business contracts for less than NZ\$250,000 per annum).
- Establishes standards for disclosure of information relating to the kind, quality, design and other characteristics of goods or services for the benefit of consumers.
- Establishes product safety standards that must be complied with for any class of goods and services to prevent risk of injury to any person.
- Regulates several other consumer contractual matters, such as layby sale agreements, direct sale agreements (via telephone or door-to-door), extended warranty agreements, gift card expiry dates, and auctions.

Businesses cannot contract out of the FTA with consumers, but are able to do so with other businesses under certain conditions.

Failure to comply with the FTA constitutes an offence, which may result in various civil remedies, including fines and court orders, as well as criminal sanctions in some instances. The FTA also empowers the courts to impose management banning orders on individuals who are repeat offenders under the FTA. Many of the prohibitions set out in the FTA are also reflected in the Financial Markets Conduct Act 2013, though relating specifically to financial products.

The Fair Trading Amendment Bill, which proposes a number of reforms to the FTA, was reported back by the Finance and Expenditure Committee on 25 September 2026 and is now awaiting its second reading in Parliament. This bill proposes three key reforms to the FTA:

- Shift most breaches from a primarily criminal enforcement model to a civil liability regime and increase penalties for certain breaches of the FTA.
- Introduce a new safe harbour defence to protect online service providers from civil liability where they act in good faith to proactively disrupt suspected scam activity.
- Streamline the process for updating product safety requirements.

If this bill is passed into law in its current form, maximum penalties for breaches relating to unconscionable conduct and making (in trade) false or misleading representations in connection with the supply of goods or services are likely to increase to the greater of:

- The consideration for the relevant transaction.
- Three times the amount of the gain made, or loss avoided, as a result of the breach.
- NZ\$1 million for individuals or NZ\$5 million in any other case.

Consumer Guarantees Act 1993

The Consumer Guarantees Act 1993 (**CGA**) provides various implied guarantees to protect consumers of goods and services from suppliers in trade. These guarantees only apply to goods and services of a kind ordinarily acquired for personal, domestic or household use, where the goods are not acquired for the purposes of resupplying them in trade, using them in a manufacturing process or repairing the goods in trade.

The implied guarantees under the CGA include:

- Goods being of acceptable quality.
- Goods being reasonably fit for a particular purpose.
- Goods or services being a reasonable price, if no price has been agreed.

- Goods having parts reasonably available for repair purposes.
- Goods or services complying with their description or corresponding to the sample if provided.
- Services being carried out with reasonable skill and care.
- Goods being delivered and services being completed in a timely manner.

The consumer may seek redress from the supplier or manufacturer if any of the above guarantees are not met.

Credit Contracts and Consumer Finance Act 2003

The Credit Contracts and Consumer Finance Act 2003 (**CCCFA**) regulates credit contracts entered into with consumers where money is loaned for personal use, including hire purchase and personal lending arrangements. However, the CCCFA does not apply where the credit is for commercial or investment purposes.

The CCCFA sets out limits on how much interest may be calculated and charged, and sets out disclosure requirements on lenders, including around interest and fees to help consumers compare the cost of borrowing and contract terms. Lenders cannot enforce credit contracts with consumers until all of the required disclosures have been made.

The CCCFA requires lenders to assess the suitability and affordability of the credit contract for the consumer before lending money or increasing the available credit on an existing loan. Borrowers may challenge 'oppressive' contracts and the CCCFA allows courts to vary credit contract terms which the courts determine to be unfair or unreasonable.

The CCCFA did not historically cover 'Buy Now, Pay Later' (**BNPL**) credit contracts because they do not typically charge interest or credit fees, or take security. However, since 2 September 2024, BNPL lenders were also required to comply with all obligations of a lender under the CCCFA (with some modifications).

Further reforms to consumer credit regulation came into effect on 1 July 2026 to streamline financial services regulation,³⁶ including the transfer of regulatory responsibility for the CCCFA to the Financial Markets Authority. As a result of these reforms, the FMA is now the single conduct regulator for financial markets, including consumer credit.

Parties may only contract out of the FTA and CGA in limited circumstances. Businesses proposing to offer goods or services in New Zealand should seek legal advice before doing so to ensure that they can meet their minimum obligations under the FTA and CGA.

³⁶ Credit Contracts and Consumer Finance Amendment Act 2026.

Māori business

14



These pou were commissioned by Cardrona Alpine Resort to embody the resort's uara (values).

Māori business

Māori are the indigenous people of New Zealand and are key players in the New Zealand economy.

“Treaty settlements (see Te Tiriti o Waitangi below) and a rapidly growing Māori asset base continue to provide Māori with capital for opportunities beyond the primary sector...”

The Māori economy

The Māori economy plays a crucial role in driving New Zealand’s economic success and is experiencing significant growth – this is projected to continue. Over the last ten years, the Māori asset base has also grown at a significantly faster rate than the overall economy, and is now valued at almost \$126 billion.³⁷ In 2025, 17.5% of New Zealand’s population was Māori (932,300),³⁸ and significantly younger than the national average, with 53% below the age of 30.³⁹ These statistics are an indicator that the growth trend will continue.

The Māori economy is undergoing significant transformation, driven by a growing population and an asset base, expanding its focus beyond traditional sectors such as agriculture, forestry, and fishing.

Although these industries were the primary economic drivers in 2018, that landscape has now shifted. Today, real estate, property services,

and professional services have emerged as leading contributors to the Māori economy and to national GDP, presenting new and diverse investment opportunities for those who are interested in partnering with Māori.

Treaty settlements (see Te Tiriti o Waitangi below) and a rapidly growing Māori asset base continue to provide Māori with capital for opportunities beyond the primary sector, with diversification among post-settlement governance entities (a legal entity established to receive and manage settlement assets on behalf of the claimant group) into the education, tourism, infrastructure, property development, and technology sectors.

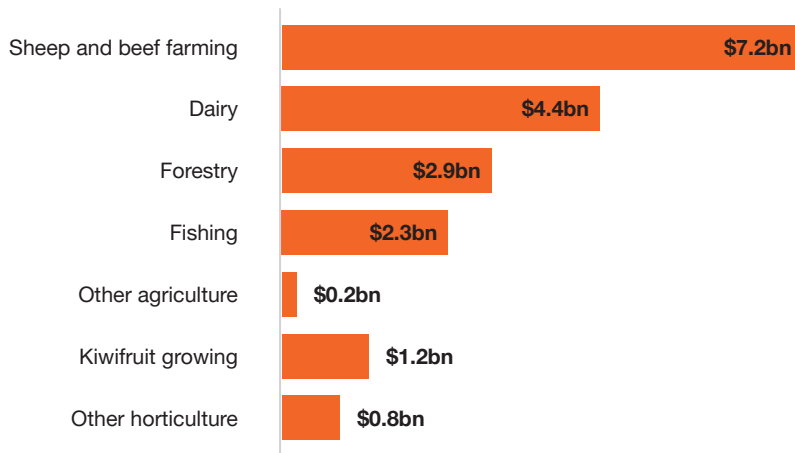
We have also observed the emerging collective voice of Māori collectives (Māori trusts, Māori incorporations and other Māori entities that are involved in the collective management of communally owned Māori assets), which are significant contributors to the Māori and national economy. Māori collectives make up \$41 billion of the Māori asset base with many having

³⁷ MBIE (2024), Te Ōhanga Māori – The Māori Economy 2023 Report, pg 6

³⁸ ‘Estimated and Projected Age Distribution of Māori People in New Zealand.’ Figure.NZ, 2023, figure.nz/chart/HlsNYBaXFxmUckBa

³⁹ Māori population estimates: At 30 June 2025 | Stats NZ. (2025). Govt.nz. <https://www.stats.govt.nz/information-releases/maori-population-estimates-at-30-june-2025>

Māori collectives are reported to own around 50% of all agriculture, forestry and fishing assets in the Māori economy:



Source: Ministry of Business, Innovation and Employment: Te Ōhanga Māori 2023.

‘hundred million plus’ balance sheets, strong governance and management, and long-term growth strategies.

Recent data on Māori businesses indicates that:

- There are 1,362 Māori authorities and 4,488 other Māori enterprises (being other Māori businesses that are economically significant but are not Māori authorities) – 7.5% of which are Māori tourism businesses.
- Māori authorities have provided employment opportunities for around 12,500 individuals while other Māori enterprises have contributed around 43,200 employees to the workforce.
- Around 21% of Māori authorities operated in agriculture and other primary industries, with the average size of Māori farms being nearly 2.5 times as large as the average New Zealand farm.

- Māori authorities exported \$872 million worth of goods, 24% of which went to China, while other Māori enterprises exported \$574m worth of goods.
- The total income for Māori authorities was NZ\$5.7 billion in FY24.

Joint ventures with Māori

Many iwi and Māori organisations are now significant institutional investors and development partners within the New Zealand economy.

Joint ventures between Māori and non-Māori organisations are becoming increasingly common. Māori organisations are seeking partnerships with investors who, in addition to contributing capital, also contribute capability and expertise while recognising the strategic value

17.5%

of New Zealand's population was Māori in 2025 (932,300).

\$41bn

Total Māori asset base,⁴⁰ made up from Māori collectives (Māori trusts, Māori incorporations and other Māori entities).

50%

Māori collectives are reported to own around 50% of all agriculture, forestry and fishing assets in the Māori economy.

(including resource access, relationship networks and local understanding of regulatory processes), and the long-term investment timeframes that Māori organisations bring to the relationship.

For some large projects requiring the use of natural resources, we are seeing a number of innovative ownership and commercial models which incorporate:

- Strong alignment of values between partners and the development of covenants or kawenata (undertakings).
- Access to global intellectual property, technology and innovations.
- Reciprocal access to channels to market.
- Mutual investment into the health of the environment and sustainability of the natural resources.

- Recognition of mana whenua and mana moana (local tribal authorities).
- Representation on governing boards and executive management teams.
- Investment into skills, workforce, education and scholarship initiatives.

Alignment of values and a mutual focus on long-term investment goals often results in a successful joint venture between Māori and non-Māori parties.

Core values underpinning social and cultural objectives

Most iwi and Māori collectives invest with wider social and cultural objectives in mind and with an overarching intergenerational lens.

Common values underpinning these social and cultural objectives include:

Whanaungatanga

Building and maintaining relationships.

Manaakitanga

Care and hospitality, particularly for visitors, and building unity.

Rangatiratanga

Stewardship of others and empowering Māori to advocate for their own people.

Kaitiakitanga

Guardianship, particularly in respect of natural resources.

Māori organisations and collectives will often have future generations in mind and seek long-term relationships where economic success can facilitate greater

Iwi and Māori organisations and collectives play an important role in helping to grow the domestic capital needed to achieve growth in Aotearoa New Zealand's productive assets. It is important that investors understand the core values and cultural objectives that underpin investment for Māori organisations, and look to engage with iwi early, to partner effectively.



social outcomes and benefits for their people. It is important to Māori organisations and collectives that commercial investments perform to their maximum potential in order to achieve, and/or directly impact, their wider social and cultural objectives, while continuing to operate under the respective values.

Overseas investors considering partnering with Māori collectives and organisations, or considering an investment that involves land or natural resources, will likely benefit significantly from understanding New Zealand history, an understanding of the presence and influence of te ao Māori (the Māori world and worldview) and the accompanying cultural values that Māori as a people and Māori organisations hold. Engaging with iwi and relevant groups early in the project will likely improve success.

Te Tiriti o Waitangi (the Treaty of Waitangi)

Te Tiriti o Waitangi / The Treaty of Waitangi (The **Treaty**) is one of New Zealand's foundational constitutional documents. Signed in 1840 between representatives of the British Crown and rangatira Māori (chiefs), the Treaty continues to influence New Zealand's legal, regulatory, and commercial environment.

Over recent decades, the settlement of historical Treaty grievances has contributed to the growth and diversification of the Māori economy. Treaty settlements have enabled many iwi and Māori organisations to establish post-settlement governance entities (**PSGE**) and grow investment portfolios across sectors including property, infrastructure, tourism, technology and forestry. Significant settlements under which assets were settled to Māori

groups for Treaty claims, including the Māori Fisheries Settlement and the Central North Island Forests Settlement, have also contributed to the development of large-scale Māori commercial platforms and investment capability.

The Treaty is recognised in a range of New Zealand legislation and regulatory frameworks, particularly in areas relating to natural resources, local government, and infrastructure development. While the legislative landscape continues to evolve, the Treaty remains an important consideration in many public and commercial decision-making processes.

Investors considering projects involving land, infrastructure, natural resources or significant community engagement may benefit from engaging early with iwi, hapū, and Māori organisations. Strong relationships and alignment of values can support successful long-term outcomes.

PwC's Manukura Māori team is passionate about working with iwi, Māori focused entities, and organisations to enhance Māori economic, social, cultural and environmental outcomes and help shape a future Aotearoa where all communities thrive. As a community of solvers, the Manukura Māori Business Team advises investors on successfully engaging and doing business with Māori organisations.





15

Climate regulations



Climate in Aotearoa New Zealand

Climate considerations are increasingly embedded in New Zealand's policy, capital markets and business decision-making.

For investors and organisations operating in New Zealand, the key elements of the domestic framework are:

A split-gas emissions target

Emissions of greenhouse gases other than biogenic methane must reach net zero or lower by 2050. Biogenic methane emissions must be at least 10% below 2017 levels by 2030 and between 14% and 24% below 2017 levels by 2050.⁴¹

The New Zealand Emissions Trading Scheme (NZ ETS)

The NZ ETS is New Zealand's principal emissions-pricing mechanism. Changes to unit supply, price controls and sector settings can affect businesses' operating costs, asset values and investment decisions.

The second Emissions Reduction Plan (ERP2)

Amended in January 2026, ERP2 covers 2026-30 and sets out the Government's plan for meeting the second emissions budget while seeking to support economic growth and energy security.⁴²

Mandatory climate reporting

New Zealand passed world-first legislation in 2021 requiring certain large financial market participants to report on climate-related risks and opportunities. The External Reporting Board (**XRB**) issued the Aotearoa New Zealand Climate Standards (**NZ CS**) in December 2022, and the first mandatory climate statements were lodged in 2024.

Together, these measures influence the cost of carbon, access to capital, disclosure expectations and the resilience of investments in New Zealand.

⁴¹ New Zealand Legislation, Climate Change Response Act 2002, s 5Q, Target for 2050
<https://www.legislation.govt.nz/act/public/2025/80/en/latest/sections/LMS1547645/LMS282014>

⁴² Ministry for the Environment (MfE), New Zealand's second emissions reduction plan 2026-30: Amended January 2026.
<https://environment.govt.nz/publications/new-zealands-second-emissions-reduction-plan/>



As seen globally, the expectation for companies to share more about how their businesses are affected by climate is increasing amongst investors and stakeholders alike. In fact, PwC's Global Investor Survey identified that 78% of investors believe that providing this information has a very or moderately positive impact on investor engagement.⁴³ In this section, we focus more closely on the climate reporting requirements in New Zealand and what investors and those wanting to do business with New Zealand can learn from the New Zealand reporting regime.

Mandatory climate-related reporting requirements

The NZ CS are principles-based standards focused on climate-related matters. They require disclosure of material climate risks and opportunities, how these are governed and managed, and metrics and targets relevant to the business, including greenhouse gas emissions.

Climate reporting entities must prepare annual climate statements and lodge them on the public Climate-related Disclosures Register. Adoption Provisions provide transition relief for certain requirements, including anticipated financial impacts, scope 3 emissions, comparative information and scope 3 assurance.

Stop, delay or consolidate? A moment to take stock for climate reporting regulation

Although New Zealand was an early mover on mandatory climate reporting, it has continued to refine the regime through consultation with preparers, users and market participants. The Financial Markets Conduct Amendment Bill proposed changes intend to better balance compliance costs with the value of reporting in New Zealand's relatively small capital market. If enacted, these changes would:

- Raise the listed issuer threshold from NZ\$60 million to NZ\$1 billion for both quoted equity and quoted debt.

- Remove managers of registered investment schemes from the mandatory regime.
- Amend the liability settings, including removing deemed director liability for an entity's breach and providing limited protection in relation to unsubstantiated representations where the applicable climate standards have been complied with.
- Remove insurers whose business is wholly or predominantly health or life insurance.

These amendments have not yet been enacted. However, reporters can immediately benefit from these changes as the Financial Markets Authority (FMA) has extended its 'no action' relief for affected climate reporting entities in respect of specified reporting periods.

⁴³ PwC's Global Investor Survey 2025 conducted between September 1 and October 6, 2025 reflects the views of 1,074 investment professionals across 26 countries and territories, drawn from investment firms, banks, private equity and venture capital groups, hedge funds, pension funds, sovereign wealth funds, and other financial institutions. <https://www.pwc.com/gx/en/1/issues/c-suite-insights/global-investor-survey.html>

⁴⁴ New Zealand Legislation, Financial Markets Conduct Act 2013, Part 7A, ss 461O–461S. <https://www.legislation.govt.nz/act/public/2013/0069/latest/DLM4091581.html>

The 2023 North Island severe weather events caused an estimated NZ\$9 billion to NZ\$14.5 billion of physical asset damage.⁴⁵

96%

Renewables reached a record 96.4% of electricity generation in the December 2025 quarter.⁴⁶

53%

Agriculture accounted for 53% of New Zealand's gross greenhouse gas emissions in 2024.⁴⁷

Entities required to make climate-related disclosures are set out under Part 7A of the Financial Markets Conduct Act 2013.⁴⁴

How is NZ business impacted by climate?

We assessed 66 climate statements from 2024-2025⁴⁸ and identified common climate-related risks emerging from New Zealand climate disclosures as set out below, alongside the opportunities that reporters are identifying as being material to their business:

Physical risks

- Flooding, storms, and other extreme weather events.
- Changing rainfall patterns, drought, and water availability.
- Sea-level rise, coastal inundation and erosion.
- Rising temperatures and heatwaves.
- Damage to assets and critical infrastructure/operational disruption.
- Supply chain and transport network disruption and reduced insurance availability.

Transition risks

- Changes in climate regulation, policy, and carbon pricing.
- Technology change and availability of low-emissions technology.
- Changing customer and consumer preferences.
- Changing investor, lender and stakeholder expectations.
- Changing demand for emissions intensive products and services.
- Energy pricing, electricity availability and electrification materials and technology.
- Reputational, legal and litigation risk.

Opportunities

- Electrification and renewable energy.
- New low-emissions products, technologies and services.
- Growth in new markets and demands for low-carbon products.
- Energy and resource efficiency/operating cost reductions.
- Sustainable finance, green capital, and lower financing costs.
- Investment in climate-resilient infrastructure and supply chains.
- Increasing demand for low-carbon and climate resilient assets.

⁴⁵ The Treasury estimated damage of NZ\$2–3.5 billion to households, NZ\$2–3 billion to businesses and NZ\$5–7.5 billion to infrastructure. This is a strong investor-focused statistic because it makes physical climate and natural-hazard exposure tangible and supports discussion of adaptation, asset due diligence, infrastructure resilience and insurance availability. <https://www.treasury.govt.nz/sites/default/files/2023-04/impacts-from-the-north-island-weather-events.pdf>

⁴⁶ Sample of climate statements lodged on Companies Office climate register during 2024 or 2025.

⁴⁷ Ministry of Business Innovation & Employment (MBIE), New Zealand Energy Quarterly, December 2025 Summary. <https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-statistics-and-modelling/energy-publications-and-technical-papers/new-zealand-energy-quarterly/previous-energy-quarterly-editions/new-zealand-energy-quarterly-december-2025>

⁴⁸ Ministry for the Environment (MfE), GHG Inventory Snapshot 2026.

<https://environment.govt.nz/assets/publications/GhG-Inventory/GHG-Inventory-2026/GHG-Inventory-2026-Snapshot.pdf>

These risks and opportunities vary significantly by sector and business model. Some of our largest emissions-intensive industries include agriculture, farming and road freight.

Where next? Closer alignment with international sustainability reporting

As an export-driven economy, New Zealand has a strong interest in aligning its reporting environment with key trading partners to make it easier to do business across borders.

One proposal that will help achieve that is set out in the 2026 climate-reporting roadmap.⁴⁹ In this roadmap the XRB has proposed transitioning New Zealand reporting to an **IFRS S2-equivalent climate disclosure standard**, supporting greater alignment with Australia and other jurisdictions adopting IFRS S2. The proposed roadmap aims to improve comparability and reduce duplication for cross-border groups, with early adoption from **1 October 2026** and mandatory application from **1 January 2033**. At the time of publication, these proposals remain subject to finalisation.

What does this mean for those looking to invest or do business in New Zealand?

No-regrets actions:

Assess reporting obligations early

New Zealand subsidiaries, branches or listed issuers may have obligations separate from their offshore parent.

Check for trans-Tasman relief

Certain Australian entities may be able to rely on an exemption where they report under AASB S2 or an approved equivalent.⁵⁰

Make climate reporting part of your due diligence

Climate-related information can provide insight into governance, climate risks and opportunities that affect business risk, valuation and prospects.

Prepare for value-chain reporting requests

Businesses outside the mandatory regime may still need to provide emissions and climate-risk information to offshore customers, lenders or parent entities.

The bottom line

Understanding how climate impacts New Zealand is essential to doing business here

As New Zealand's climate reporting regime evolves, investors and businesses who act early and use these reporting insights to gain transparency on a company's financial effects and resilience to climate, will be better placed to protect business value and capture opportunity.



⁴⁹ External Reporting Board (XRB), Draft Climate Reporting Roadmap, June 2026. <https://www.xrb.govt.nz/consultations/climate/draftclimate-reporting-roadmap2026/>

⁵⁰ Financial Markets Conduct (Climate-related Disclosures for Overseas Climate Reporting Entities) Exemption Notice 2026. <https://www.legislation.govt.nz/secondary-legislation/pco-drafted/2026/55/en/latest/highlights/>

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