

# NEW ZEALAND MERGERS & ACQUISITIONS



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## NEW OVERSEAS INVESTMENT SCREENING RULES ANNOUNCED: TEMPORARY EMERGENCY PROTECTION OF KEY NEW ZEALAND ASSETS DUE TO COVID-19

The New Zealand Government have announced their intention to introduce amending legislation to introduce:

- **Asset Threshold (\$100m plus) Removed**  
The existing \$100m (or higher where a free trade agreement applied) is being removed on a temporary basis. This removal of the threshold is adopting a similar approach taken in Australia.
- **Notification Requirement Introduced**  
Any transaction covering (increases above a 25% ownership interest or increases of certain existing interests) [and certain other investments] will be required to be notified only to the Overseas Investment Office.
- **National Interest Test Introduced**  
The proposed new “national interest” test will be applicable. The relevant Minister will have various powers and actions available to review, prohibit or impose conditions on the few transactions impacting on the national interest test. The Minister will be acting in accordance with a fixed timetable. Detailed guidance on the national interest test and its application will be available shortly.
- **Temporary Power Reviewed Every 90 Days**  
The temporary power will be reviewed every 90 days and is stated as intended to only cover the COVID-19 recovery period.
- **Law Change Documentation**  
The exact detail of the proposed “temporary measures” and other new national test requirements have not yet been articulated definitively and further clarification is expected as the urgent legislation is finalised.

## FURTHER INFORMATION

If further information is required please do not hesitate in contacting:

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