

### **Decision Date**

- (1) 30 March 2022

### **Duration of the Exemption**

- (2) This Exemption comes into force on 30 March 2022 and expires at the close of 30 September 2023.

### **Interpretation**

- (3) In this notice, unless the context otherwise requires—

**Act** means the Overseas Investment Act 2005.

**BCG** means BCG NZ Investment Holding Limited.

**Beijing Capital** means Beijing Capital Group NZ Investment Holding Limited

**Exemption** means the exemption in paragraph (5).

**Exemption Holder** means BCG NZ Investment Holding Limited.

**Land** means:

- Approximately 78.2536 hectares of land at 125-127 Old Brighton Road, Fairfield, Dunedin;
- Approximately 120.1363 hectares of land at Richards and Horseshoe Bush Roads, Dairy Flat, North Auckland;
- Approximately 187.4080 hectares of land at 100 Island Road, Puketutu Island, Auckland;
- Approximately 656.5127 hectares of land at Waiwhiu Road and State Highway 1, Dome Valley, North Auckland;
- Approximately 123.9528 hectares of land at 818 Wanganui Road, Turakina, Rangitikei District;
- Approximately 1461.0016 hectares of land at 20 and 666 Mt. Cass Road, Waipara, North Canterbury;
- Approximately 39.985 hectares of land at 100 and 200 Horseshoe Bush Road, Dairy Flat, North Auckland; and
- Approximately 4.7838 hectares of land at 1232 State Highway 1, Wayby Valley, North Auckland.

**OIO** means the Overseas Investment Office.

**Regulations** means the Overseas Investment Regulations 2005.

**Transaction** means the sale of 100% of the shares in Beijing Capital by the Exemption Holder.

- (4) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this Exemption has the same meaning as in the Act or the Regulations (as the case may be).

### **Exemption from farm land offer criterion**

- (5) The requirement in section 16(1)(f) of the Act does not apply to the Land in respect of the Transaction.

### **Conditions of the Exemption**

- (6) The exemption in paragraph (5) only applies to transactions entered into on or before 30 September 2023.
- (7) If requested in writing by the OIO, the Exemption Holder must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- (a) the representations and plans made or submitted in support of the application for the Exemption; or
- (b) the conditions of the Exemption.

#### **Amendment or revocation of the Exemption**

- (8) The Exemption and conditions of the Exemption may at any time be amended or revoked by the Overseas Investment Office.

#### **Sanctions**

- (9) The Act provides for civil and criminal sanctions for breaching the Act, failing to comply with conditions of exemption and failing to provide information required by the Overseas Investment Office. The Overseas Investment Office has an obligation to investigate and act upon alleged and suspected breaches of the Act.

#### **Reasons for Exemption**

BCG intends to sell its shareholding in Beijing Capital. As BCG is seeking to sell the shareholding, and not the assets of Beijing Capital and subsidiaries separately, it has sought an exemption from the requirement to advertise farm land owned by Waste Management, a Beijing Capital subsidiary.

The purpose of the farm land advertising criterion is to give New Zealand investors an opportunity to try to acquire farm land.

However, as the land is not for sale other than together with other significant assets, we consider that it is unnecessary (and undesirable) for the farm land to be separately advertised.

In this case, New Zealand investors will not have a realistic opportunity to acquire the land without also acquiring the other landfill assets. Accordingly, advertising the Land alone will not increase the opportunity for New Zealand investors to acquire the land.

Advertising the farm land independently of the other assets would also risk putting prospective purchasers to the unnecessary cost of inspecting the land and undertaking due diligence in circumstances where a sale of the land to them would be extremely unlikely.