

Notice of Exemptions From Farm Land Offer Criterion (Pursuant to Section 20 of the Overseas Investment Act 2005) 2024

Pursuant to section 20(1)(b) of the Overseas Investment Act 2005, the Minister of Finance and the Minister for Land Information give the following notice.

Notice

1. Title—This notice is the Notice of Exemptions From Farm Land Offer Criterion (Pursuant to Section 20 of the Overseas Investment Act 2005) 2024.

2. Commencement and expiry—This notice comes into force on the day after approval and will expire 5 years after the notice comes into force.

3. Interpretation—In this notice, unless the context otherwise requires:

Act means the Overseas Investment Act 2005.

family member, in relation to any person (A), means:

a person who is related to A by blood within the fourth degree of relationship; or

A's spouse, civil union partner, or de facto partner; or

a person who is the spouse, civil union partner, or de facto partner of a third party to whom A is related by blood within the fourth degree relationship; or

the adopted child of A; or

the adopted child of a third party who is within the third degree of relationship to A.

farm land securities, in relation to relevant land that is or includes farm land, means the securities to which the overseas investment relates (see also the definition of relevant land in section 6(1) of the Act).

FMC Act means the Financial Markets Conduct Act 2013.

overseas group means a group that comprises an overseas person and one or more persons that are directly or indirectly wholly owned by that overseas person.

Any words or phrases that are used but not defined in this notice but that are defined in the Act have the same meaning as in the Act.

4. Exemption from farm land offer criterion

4.1 Every person is exempted from section 16(1)(f) of the Act for a transaction to the extent that giving effect to the transaction has any of the following effects:

- a. the acquisition by an overseas person of farm land securities that are quoted on a licensed market (within the meaning of section 6(1) of the FMC Act);
- b. the acquisition by an overseas person of farm land securities, where:
 - i. the securities are acquired under an offer that is a regulated offer within the meaning of section 41 of the FMC Act or under an offer of financial products referred to in clause 19 of Schedule 1 of that Act; and
 - ii. in the case of a regulated offer, a product disclosure statement for that offer was lodged with the Registrar of Financial Service Providers and given to investors in accordance with section 50 of the FMC Act; and
 - iii. in the case of an offer of financial products referred to in clause 19 of Schedule 1 of the FMC Act, the notice referred to in clause 20 of Schedule 8 of the Financial Market Conduct Regulations 2014 has been given to the licensed market operator for that offer;
- c. the acquisition by an overseas person of farm land securities, where:
 - i. the takeovers code in force under the Takeovers Act 1993 applies to the acquisition; and
 - ii. the acquisition is under an offer made to all holders of those securities other than the offeror (whether the offer is for all or some of the farm land securities);
- d. the acquisition by an overseas person of farm land securities, where the farm land to which the farm land securities relate has, in accordance with a procedure prescribed by regulations made under the Act, been offered for sale or acquisition on the open market to persons who are not overseas persons;
- e. the acquisition by an overseas person of farm land securities of a company or any other body corporate that owns or controls farm land, where, immediately before the transfer, the overseas person and the person from whom the farm land securities are acquired do not together have (directly or indirectly):
 - i. a beneficial entitlement to, or beneficial interest in, 50% or more of the farm land securities of the company

- or other body corporate; or
- ii. the right to exercise or control the exercise of 50% or more of the voting power at a meeting of the company or other body corporate; or
 - iii. the right to control the composition of 50% or more of the board of directors (or other persons or body exercising powers of management, however described) of the company or other body corporate;
- f. the acquisition of farm land or farm land securities by an overseas person from a family member (whether or not the family member is an overseas person);
- g. the acquisition of farm land or farm land securities by an overseas person, where:
- i. the acquisition is from another member of the same group, another partner in the same partnership, or another member of the same joint venture as part of a reconstruction or reorganisation of that group, partnership, or joint venture; and
 - ii. the group is an overseas group or the partnership or joint venture is an overseas person;
- h. the acquisition of farm land or farm land securities by an overseas person from another overseas person as part of a wider acquisition or merger, where:
- i. the wider acquisition or merger is being undertaken by other members (“relevant persons”) of the same overseas groups as those overseas persons; and
 - ii. the wider acquisition or merger involves the acquisition of the whole or a substantial part of the specified securities in, or the business of, one or more relevant persons in one or more overseas jurisdictions; and
 - iii. each relevant person is incorporated outside New Zealand;
- i. the acquisition of farm land or farm land securities by an overseas person who has applied for, and been granted, a permanent residence visa under the Immigration Act 2009 if, within 12 months after the grant of that visa, that person becomes ordinarily resident in New Zealand;
- j. the acquisition by an overseas person (A) of a lease or any other interest (other than a freehold estate) in farm land, where:
- i. the lease or other interest is for a term of not more than 20 years (including rights of renewal, whether of the grantor or grantee); and
 - ii. in the 20 years prior to the date of A’s acquisition, where that farm land (or any part of it) was (or was part of) the relevant land in relation to any other overseas investment in sensitive land (“previous transaction”):
 - iii. consent was obtained to that previous transaction; and
 - iv. that previous transaction was not exempt from the criterion in section 16(1)(f) of the Act and that criterion was complied with;
- k. the acquisition by an overseas person (A) of farm land securities in a person (P) where:
- i. at the date of A’s acquisition, the only interest (other than an exempted interest) in farm land that is sensitive land (as defined in Schedule 1 of the Act) that P owns or controls (directly or indirectly) is a lease or any other interest (other than a freehold estate) for a term of not more than 20 years (including rights of renewal, whether of the grantor or grantee); and
 - ii. in the 20 years prior to the date of A’s acquisition, where that farm land (or any part of it) was (or was part of) the relevant land in relation to any other overseas investment in sensitive land (previous transaction); and
 - iii. consent was obtained to that previous transaction; and
 - iv. that previous transaction was not exempt from the criterion in section 16(1)(f) of the Act and that criterion was complied with.

5. Revocation

The Notice of Exemptions From Farm Land Offer Criterion Pursuant to Section 20 of the Overseas Investment Act 2005, made on 9 December 2016 and published in the [New Zealand Gazette, 15 December 2016, No. 118, page 3018](#) is revoked.

6. Approval

Dated at Wellington this 26th day of June 2024.

HON DAVID SEYMOUR, Associate Minister of Finance, and HON CHRIS PENK, Minister for Land Information.

