
Exemption from the farm land offer criterion

Read this decision carefully - you must comply with all the conditions. If you do not, we may revoke your exemption.

Notice of Decision Case: 202300321

1. Decision Date

28 July 2023

2. Interpretation

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

Act means the Overseas Investment Act 2005.

Exemption means the exemption in paragraph 4.

Exemption Holder means Kauri Forestry LP

Land means approximately 272 hectares of land contained in Record of Title 1126545

Qualifying Transaction means the acquisition the Land by the Exemption Holder

LINZ means Toitū Te Whenua Land Information New Zealand.

Regulations means the Overseas Investment Regulations 2005.

- (2) 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).

3. Duration of the Exemption

The Exemption Holder must acquire the Land by 1 August 2024.

4. Exemption from farm land offer criterion under the Act

- (1) The requirement in section 16(1)(f) of the Act does not apply in respect of an application for consent under the Act for a Qualifying Transaction

5. Amendment or revocation of the Exemption

The Exemption and conditions of the Exemption may at any time be amended or revoked by LINZ.

6. Sanctions

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 LINZ. LINZ has an obligation to investigate and act upon alleged and suspected breaches of the Act.

7. Reasons for Exemption

The purpose of the requirement to advertise farm land is to give New Zealanders an opportunity to try to acquire farm land.

An exemption from this requirement may be granted if the decision maker considers that the overseas investment need not meet this requirement by reason of the circumstances relating to the particular overseas investment or section 12 interest or the nature of the land to which the section 12 interest relates.

An exemption may only be granted if there are circumstances that mean that it is necessary, appropriate, or desirable to provide an exemption, and the extent of the exemption is not broader than is reasonably necessary to address those circumstances.

In this case, an exemption is appropriate and desirable as:

- the Land will be held on trust for the New Zealand Vendor pending completion of the subdivision of the Record of Title.
- the Vendor does not have any intention of permanently divesting their ownership of the Land.
- The transfer of the Land to the Applicant is a temporary measure. New Zealanders will not permanently lose the opportunity to acquire the Land as it will revert to New Zealand ownership once the subdivision is complete.

The relevant Ministers consider the extent of the Exemption is not broader than is reasonably necessary as it is limited to the specific and unique transaction; that it only applies for a limited period; and the transfer is temporary only.