**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: 202300012**

1. **Decision Date**

15 May 2023

# Duration of the Exemption

The exemption in paragraph 4 applies to transactions entered into on or before 5 May 2028.

# 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:

* + 1. IGP NZ
    2. Rangiriri Solar Farm Limited
    3. Waerenga Solar Farm Limited
    4. Waikato Solar Farm Limited
    5. Annies Way Solar Farm Limited
    6. Waerenga Solar Extension Limited
    7. Pelion Green Future Gamma GMBH (Germany); and
    8. MGREF 2 Cooks Bidco Limited (UK).
    9. Any entity established by IGP NZ where IGP NZ is the only overseas person with an ownership or control interest.

**IGP NZ** means IGP New Zealand Ltd (UK)

**LINZ** means Toitū Te Whenua Land Information New Zealand. **Regulations** means the Overseas Investment Regulations 2005. **Land** means as described in the table in Appendix 1.

**Qualifying Interest** means a leasehold interest in the Land being acquired exclusively or nearly exclusively for operating a solar farm for electricity generation.

**Qualifying Transaction** means the acquisition of a Qualifying Interest by the Exemption Holders.

* 1. 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 under the Act

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.

# Conditions of the Exemption

* 1. If requested in writing by LINZ, 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:
     1. the representations and plans made or submitted in support of the application for the Exemption; or
     2. the conditions of the Exemption.

# Amendment or revocation of the Exemption

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

# 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.

# Reasons for Exemption

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

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.

IGP NZ intends to develop solar farms on the Land and have sought an exemption from the requirement for farm land to be advertised.

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

* there are circumstances that make advertising less appropriate for solar farm developments than for other developments.
  + there is often a need to proactively approach existing property owners due to the very specific land requirements needed for a solar farm (the existing property owners may have no general desire to lease or sell their land to a third party).
  + until feasibility studies are undertaken, it is often unclear what land will be suitable for solar farm purposes and therefore what land will need to be advertised.
  + investors are likely to face uncertainty and risk which may discourage investments of this type if they are forced to undertake extensive feasibility studies without first obtaining a right to acquire the land needed for their proposed solar farm (there would be nothing preventing the existing property owners from selling or leasing their land to a third party, including the investors’ competitors).
* the Exemption is consistent with the principle that overseas investment should benefit New Zealand, noting the high importance the Government places on renewable energy.
* solar farming is a temporary use of the Land, and the Land can revert to an exclusively farming use should the Land no longer be needed for a solar farm.
* the interests are leasehold interests, therefore only a temporary divestment of the farm land. New Zealanders will not permanently lose the opportunity to acquire the Land as it will revert to New Zealand ownership at the expiry of the lease.

The relevant Ministers consider that the extent of the Exemption is not broader than is reasonably necessary as it is limited to specific properties and acquisitions for the purpose of developing a solar farm, only applies for a limited period of time, and the interests are leasehold interests only.

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|  |  | **Appendi** | **x 1** |  |
|  | **#** | **Address** | **Records of Title** | **Area (ha)** |
| 1 | Lot 4, Glen Murray Road Rangiriri | SA29A/28  SA49D/644 SA67C/102 | 164.4799 |
| 2 | Rotongaro Road, Huntly | 684754 | 228.0361 |
| 3 | 304a Waiterimu Road, RD4, Ohinewai | 1006792 | 102.38 |
| 4 | 345 Waiterimu Road, RD4, Ohinewai | SA2D/1355 SA25C/830 SA46A/703 SA50D/850 SA637/7 SA56/270 SA890/11  SA2016/24 | 277.795 |
| 5 | 428 Keith Road, Waerenga | SA20B/562 SA22/199 SA1053/289 SA43/152  SA23/236 | 129.1628 |
| 6 | 40 Awariki Road,  Rangiriri, 1276 Waerenga Road, Rangiriri | SA44D/511 SA44D/512 325250 SA11B/453  SA70B/256 | 252.8088 |

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|  |  | SA70B/257 |  |
| SA70B/258 |
| SA71D/536 |
| SA71D/537 |
| SA71D/538 |
| SA66B/76 |
| SA3A/1296 |
| SA221/253 |
| 7 | 35 Annies Way, | SA114/92 | 161.73 |
|  | Rangiriri | SA121/168 |  |
|  |  | SA181/256 |  |
| 8 | 223 Awariki Road, Waerenga, Waikato District | 991250 | 99.0353 |
| 9 | 133 Goodin Road, | SA439/61 | 131.6892 |
|  | RD1 Waerenga | SA1B/169 |  |
|  |  | SA28/28 |  |
|  |  | SA31/65 |  |
|  |  | SA31/69 |  |