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Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

<u>Section</u>	<u>Description of ground</u>
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by <ul style="list-style-type: none"> <li>(i) the Government of any other country or any agency of such a Government; or</li> <li>(ii) any international organisation</li> </ul>
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(i)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public
9(2)(ba)(ii)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

# Briefing to the Incoming Associate Minister of Transport

Ministry of Transport

February 2025

PROACTIVELY RELEASED BY  
MINISTRY OF TRANSPORT TE MANATŪ WAKA

## Purpose

This briefing provides an overview of your role as Associate Minister of Transport, as well as the Ministry of Transport's (the Ministry) priority work on aviation and maritime, including upcoming milestones.

## Your role as Associate Minister

As Associate Minister of Transport your responsibilities include all matters relating to aviation and matters that are delegated to you by the Minister of Transport, with the approval of the Prime Minister. You have received a letter from the Minister of Transport setting out these delegations, and how the Minister of Transport expects you to work with him. In this Briefing to the Associate Minister, we have covered the areas included in aviation and the delegations.

As Associate Minister of Transport you will help to ensure that New Zealand's aviation, maritime, transport investigation and search and rescue systems are safe, support economic growth and productivity, and represent good value for money. You do this through collaborating with the Minister of Transport and other Ministers in your collective work to implement the Government's policy priorities throughout the transport sector. You are supported in this work by the Ministry of Transport and the transport agencies: Maritime NZ (MNZ), the Civil Aviation Authority (CAA), NZ Transport Agency (NZTA) and the Transport Accident Investigation Commission (TAIC).

Associate Ministers assist portfolio Ministers in carrying out tasks relating to their portfolios. The Cabinet Manual is clear that responsibility for a portfolio always rests with the "portfolio" or "principal" Minister (Cabinet Manual 2.36) and states that you should take particular care to avoid making public statements or taking initiatives of any sort without the knowledge and approval of the portfolio Minister (Cabinet Manual 2.38). The Cabinet Manual also states that Associate Ministers may submit papers to Cabinet committees or Cabinet within their designated area of responsibility, provided that the portfolio Minister has been consulted and agrees with the submission of the paper (Cabinet Manual 2.39).

## Aviation

The aviation sector is mainly owned and operated by the private sector. The Ministry provides strategic advice on the policy and regulatory settings for the aviation system. The Ministry's policy approach has two main aspects – that the regulatory framework ensures safety, while enabling efficiency and growth; and that the market continues to work effectively.

The Civil Aviation Act 1990 governs New Zealand's civil aviation system and sets the overall framework for aviation safety, security and economic regulation. The Civil Aviation Act 2023 (2023 Act) replaces the Civil Aviation Act 1990, and the Airport Authorities Act 1966, and comes into force on 5 April 2025. The 2023 Act establishes the operational rules and divisions of responsibility within the civil aviation system to promote aviation safety and security and ensure that New Zealand's obligations under international aviation agreements are implemented. It is supported by secondary legislation (such as rules, regulations and notices) and standards.

The Ministry has a large work programme to implement the 2023 Act.

## **A competitive and efficient aviation sector is an important enabler of economic and productivity growth**

Aviation makes it possible for millions of tourists to visit each year, supporting local businesses including hotels, restaurants, and attractions. Visitors generate substantial revenue and help create jobs in the tourism sector. International visitors contributed \$11.7 billion to New Zealand's economy in the year to September 2024.

Airfreight carries around 16 percent of our exports and 22 percent of our imports by value. Aviation is crucial for New Zealand's trade, especially for high-value and perishable goods like seafood, value-added dairy products, and fresh produce. Efficient air freight services transport these products to international markets quickly, maintaining their quality and competitiveness.

The aviation industry directly employs thousands of people in New Zealand, including pilots, cabin crew, ground staff, and maintenance workers. Additionally, it supports indirect employment in related sectors such as tourism, logistics, and manufacturing.

The past few years have hit the sector hard, but we have seen air travel capacity levels return to pre-pandemic levels on many domestic routes. International air traffic volumes to and from New Zealand are still below the pre-2020 levels at around 87 percent. In contrast globally, commercial air traffic is largely above pre-pandemic levels at around 106 percent.

New Zealand's domestic aviation network is well served. Air New Zealand travels to 20 domestic destinations, while Jetstar travels to five. In addition to main trunk routes, Air New Zealand services most of the regional routes. There are around eight smaller airlines providing scheduled services, mostly connecting smaller towns with cities, and charter services.

### **Competition in the airline sector**

Achieving an efficient, growing aviation sector will require a continued focus on ensuring our settings foster competition. Competition encourages airlines to provide passengers with lower prices, quality services, more travel options and connectivity. Some sector participants have expressed concerns about what they see as unfair pricing in the domestic air market and reduced services to smaller centres. In addition, some regional airlines have indicated they are struggling, but we have seen the market adjusting to ensure service to most parts of the country. To build greater transparency of aviation system performance, the Ministry reports monthly on airlines' on-time performance and is currently exploring options to introduce public reporting on airfares.

There is work underway led by MBIE on international connectivity to enhance tourism and on regional connectivity. We will brief you further on these matters.

### **Competition in the airport sector**

Auckland International Airport and airlines have disagreed publicly on the airport's proposals to overhaul its facilities and the proposed increases to landing fees that would cover the costs of the development. Under the Commerce Act 1986, the Commerce Commission plays a role in reviewing major airports' pricing and spending decisions, to improve transparency about their performance. Auckland, Wellington and Christchurch international airports are subject to a light-handed form of regulation, called "information disclosure". The Commission anticipates publishing its final report on Auckland Airport's pricing this quarter. The Ministry is involved in a MBIE-led review of the Commerce Act, but airport regulation specifically is not currently in scope of the review. We can brief you further on these matters.

## **Global standards are a key driver of our regulatory settings: New Zealand is a member of the International Civil Aviation Organisation (ICAO)**

ICAO is a UN technical agency that sets standards and global norms for safe, secure civil aviation. Through our membership of ICAO, we influence the development of international best practice. ICAO has a particular focus on safety and security, although environmental issues have been of increasing importance over recent years. ICAO's standards and recommended practices are incorporated into the New Zealand system through Civil Aviation Rules, and we are required to adapt our system to changes in international settings.

### **New Zealand participates in ICAO's Universal Audit Programmes**

Compliance audits are a regular part of ICAO's role. The purpose of audits is to monitor the performance of its member States, to ensure a safe, secure and integrated international aviation system. In July, ICAO will carry out a safety audit of New Zealand's aviation system. The audit will cover government agencies, operators and participants within the aviation system. CAA is the main agency coordinating the audit project. The Ministry is working closely with CAA and TAIC to prepare for the audit, including engaging with stakeholders. We will brief you about your role in the safety audit closer to the time.

### **Aviation security**

The primary objective of aviation security is to protect passengers, crew, ground personnel and the public against acts of unlawful interference with civil aviation. The international threat environment directly influences New Zealand's aviation security settings. The Ministry works closely with the CAA and other government agencies to ensure we know about any prevailing threats to the sector. We also work with other agencies on related matters such as fuel and energy security, both of which can affect the aviation sector.

Our aviation security settings are guided by and based on international standards, known threats, risks and vulnerabilities. Together with the CAA and domestic security partners, we regularly assess them to ensure that appropriate and proportionate risk mitigation measures are in place to respond to changes in the threat environment.

### **Delivery of aviation security services**

The Aviation Security Service (AvSec), a business unit within the CAA is responsible for the delivery of security services on behalf of the government. To deliver a more efficient, flexible and effective aviation security service model, we have been working on options for alternative delivery arrangements of these services. We will brief you shortly on work to date, including the outcomes of consultation with key stakeholders, and next steps.

### **Interim Aviation Council**

In 2024, the Secretary for Transport set up an Interim Aviation Council (IAC) to provide system leadership for the aviation sector. The IAC is focused on the development of a National Aviation Policy Statement (NAPS) by June 2025. The NAPS will outline key issues for the sector and government, signalling desired shifts, and including specific actions. It will be owned by all stakeholders and provide long-range principles, strategic objectives, and outcomes. The roles of government and industry will be clearly defined, taking a national perspective rather than a sector-specific view. The development of the NAPS has strong buy-in from the sector.

### **Advanced aviation**

In September 2024, Cabinet agreed to a set of actions to support the Government's goal that, by the end of 2025, New Zealand has a world class regulatory environment that allows rapid iteration



and testing of advanced aviation vehicles and technology while maintaining current levels of safety. This approach will strengthen New Zealand as a highly competitive destination for investment in advanced aviation. The Minister for Space is responsible for this work and will keep you informed.

### **Our aviation regulatory system needs to be agile and internationally credible**

Airlines and aviation businesses from countries with well-regarded regulatory systems are more likely to gain access to international markets. This is because other countries and regulatory bodies have confidence that safety and operational standards are met. Global cooperation is essential for addressing challenges such as air traffic management, security threats, and environmental impacts.

An internationally credible regulatory regime aligns with global standards, ensuring that innovations, including in advanced aviation, meet the requirements of multiple markets. When consumers know that new technologies have been approved by a credible regulatory body, they are more likely to trust and adopt these innovations. Over the next year, we plan to focus our work more heavily on adopting best practice regulatory tools in place in overseas jurisdictions.

Domestic greenhouse gas (GHG) emissions are captured within the Emissions Trading Scheme and the Net Zero 2050 target. Later in 2025, the Government will need to consider its response to the Climate Change Commission's report recommending that international aviation and maritime emissions are captured in our emissions target.

### **The Border Executive Board focuses on a joined-up approach to border processes**

The BEB is an interdepartmental executive board established under the Public Service Act 2020, to coordinate government activity at New Zealand's border. The Secretary for Transport is one of six agency Chief Executives who sit on the Border Executive Board (BEB). The other agencies are:

- New Zealand Customs Service (Chair)
- Ministry for Primary Industries (MPI - Biosecurity New Zealand)
- Ministry of Foreign Affairs and Trade
- Ministry of Business, Innovation and Employment (Immigration New Zealand)
- Ministry of Health.

The BEB is charged with ensuring there are no gaps in end-to-end border processes and management of system level, border related risks. Transport-related work of specific interest to the BEB includes airport infrastructure, implementation of the Civil Aviation Act 2023, AvSec operational performance, and delivery and the establishment of international air services and newly international airports such as Hamilton and Dunedin.

## **Maritime**

The maritime sector is also mainly owned and operated by the private sector, and covers commercial, recreational and tourist operations. The Ministry provides strategic advice on the policy and regulatory settings for the maritime system.

The Maritime Transport Act 1994 (MTA) is the main act for the regulation of maritime activity. The MTA covers maritime safety and marine environmental protection and establishes Maritime NZ as the maritime regulator and national agency responsible for marine oil pollution spill preparedness and response. The MTA either directly regulates or enables the creation of rules to regulate most maritime activity. Maritime rules contain the detailed standards and requirements that the maritime community are required to comply with. The Maritime Security Act 2004 is mainly focused on

international terrorism and applies to international shipping and the parts of ports that serve international shipping.

### **Review of Maritime legislation**

In September 2024 the then Associate Minister of Transport agreed that the Ministry and Maritime NZ should review high priority elements of the MTA and Maritime Security Act (the Review). Gaps in the regulatory framework are creating safety, environmental and security risks. The regulatory environment is at times confusing, inefficient, and costly for both the sector and regulators. The Review has strong support from the maritime sector. We will brief you further on the Review shortly.

### **The maritime sector is an important enabler of economic productivity**

Most of our imports and exports move by sea - 99.7 percent of New Zealand's export goods by volume, and 83.7 percent by value (based on 2019 figures). Our container trade is concentrated in Tauranga (39 percent of volumes), Auckland (22 percent) and Lyttleton (14 percent). Tauranga is the largest bulk export port, while Northport (Whangārei) is the largest bulk import port.

The recreational sector also contributes to our economy. It is estimated that cruise tourism injected \$1.37 billion into the New Zealand economy in 2023/24. Statistics from the NZ Marine Industry Association in 2022 showed 40 per cent of New Zealand's population participating in boating each year, helping make it a \$2.9 billion industry.

### **Coastal shipping provides important resilience to New Zealand's freight system**

Coastal shipping accounts for around 13 percent of the goods transported around the country. New Zealand largely relies on international shipping lines for domestic freight coastal movement, but there is a domestically owned coastal shipping sector with around 14 large domestic vessels.

As part of the Government Policy Statement on Transport 2024, Cabinet agreed to establish a \$30 million Coastal Shipping Resilience Fund. s 9(2)(f)(iv)

### **Maritime decarbonisation has a role in access to markets and international cooperation**

Some key exporters are facing carbon charges to access markets such as the EU. Costs for international shipping may also increase further if the International Maritime Organisation (IMO) agrees to implement an economic measure to reduce shipping emissions. As environmental regulations become stricter, companies that invest in decarbonisation will be better positioned to comply with these regulations without incurring penalties or additional costs. This can provide a competitive advantage and reduce the overall cost of doing business.

### **The International Maritime Organisation**

The IMO is the United Nations body that regulates emissions from shipping by setting global standards for safety, security, and environmental performance. IMO members (including New Zealand) are negotiating a plan to mitigate GHG emissions from shipping. The approach will likely include a per-tonne GHG levy on emissions and a technical measure (GHG intensity regulation of fuel). Negotiations in 2024 did not achieve agreed design of these measures so a further round of negotiations will be held in April. Considering our existing Cabinet mandate and the current discussions with other IMO members ahead of the negotiations, we think further direction from Ministers is required to progress these negotiations. We will brief you in February on this matter.

## Maritime Security

You are the lead Minister for Maritime Security and the Ministry is the Strategic Coordination Agency for maritime security within the national security system, lead agency for maritime security policy, and Chair of the relevant national security committee (the Maritime Security Oversight Committee). The Committee's 11 member agencies have developed a Maritime Security Strategy (original endorsed by Cabinet in 2019 with the 2024 refresh approved by the previous Associate Minister of Transport) in response to multiple increasing security pressures. The Ministry also sits on the National Security Board, where it represents maritime security and other national security issues, such as transport security and the supply chain.

## Transport Response Team

The Ministry is the Chair of the Transport Response Team, the Transport Sector Coordinating Entity (SCE) under the National Civil Defence Emergency Management Plan Order. A SCE provides co-ordination functions during major emergencies, which ensures clear reporting lines within sectors and to other stakeholders, including Ministers.

During a response the Ministry is an intermediary between the transport sector and key stakeholders, including your Office. This ensures operational agencies can focus on delivering their operational activities. It also ensures that key stakeholders, including your Office, are regularly and comprehensively briefed to support decision-making.

## Search and Rescue

The coordination and provision of 24/7 search and rescue services is an international obligation for New Zealand under maritime and aviation conventions. New Zealand has an allocated search and rescue area covering over 30 million square kilometres, extending from the Pacific Islands to Antarctica.

The New Zealand Search and Rescue Council provides strategic governance and leadership for New Zealand's search and rescue system. It was established in 2003 and comprises representatives from the Ministry (Chair), Maritime NZ, CAA, Department of Conservation, New Zealand Police, New Zealand Defence Force, Fire and Emergency New Zealand, and an independent member.

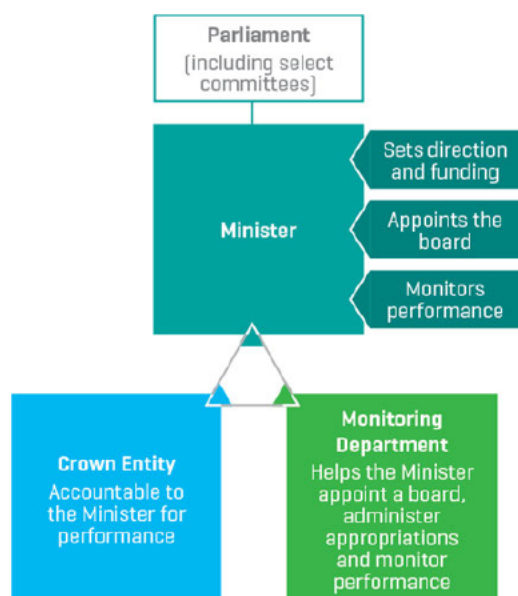
## Crown monitoring, assurance, and oversight

You have a role in overseeing and managing the Crown's interests in, and relationship with the CAA, Maritime NZ and TAIC. These entities deliver regulatory, security and investigative activities and operate with varying levels of statutory independence because of the nature of their roles and functions. Each entity is governed by a board. The boards are primarily responsible for entity performance.

You retain ultimate accountability and will need to maintain confidence that each entity continues to deliver its core functions appropriately and in line with the Government's expectations. Your key levers to oversee performance are board appointments, your regular interactions with the board chairs, setting strategic direction, and ongoing monitoring. Over the last year, the Ministry has refreshed its monitoring approach. As part of this, each entity has a monitoring plan approved by the Responsible Minister that outlines "success factors" sought from the entity. Progress against these factors is assessed as part of our monitoring advice.



The diagram below summarises the roles and responsibilities of the Minister, Crown entity and monitoring department.



The table below outlines the range of accountability mechanisms that the Ministry will advise you on to assist you in your oversight of your delegated entities and in meeting your statutory responsibilities.

Accountability Mechanism	Description
Letter of Expectations	Your primary mechanism to set priorities and performance expectations on an annual basis. You can expect to receive draft letters from the Ministry between November and February each year. These letters are sent out well in advance of the financial year so Crown entities can respond effectively.
Statement of Intent (SOI)	Sets out the entity's strategic intentions against the Government's priorities and direction. The SOI is developed by an entity for at least a four-year period but is produced every three years or as required within that period. You also have the power to request a refreshed SOI at any time. Entities are required to provide their final drafts of their SOI for your comment before 1 May each year.
Statement of Performance Expectations	Sets out the entity's annual delivery and performance expectations against your Letter of Expectations and the Statement of Intent. Entities are required to provide their final drafts of their Statements of Performance Expectations for your comment before 1 May each year.
Annual Report	Sets out the entity's annual non-financial and financial performance against the expectations set out in the Statement of Performance Expectations. You can expect to receive annual reports from each entity around October.
Quarterly reporting	Performance reporting provided by the entity against the priorities and expectations set out in the Statement of Performance Expectations. These reports are provided approximately six weeks from the end of a quarter. CAA and Maritime NZ provide quarterly reports, while TAIC provides six monthly reports.

## Board appointments

Before appointments fall due, we will provide you with advice to support the appointment and re-appointment of board members. As part of this process, we will provide you with an overall assessment of board capability and recommendations on the skills and capabilities needed to ensure your boards are well governed, effective, and high performing.

In addition to Board appointments for CAA, Maritime NZ and TAIC, you have been delegated responsibility for appointing two Aviation Medical Conveners, reviewers for the Independent Review function being established under the 2023 Act, and appointments to the Oil Pollution Advisory Committee.

## MetService contract

Under the Meteorological Services Act 1990, the Minister of Transport is responsible for ensuring the provision of meteorological services in New Zealand, through weather forecasts and warnings for public safety. Meteorological Service of New Zealand Limited (MetService) is the national weather authority and the exclusive provider of severe weather warnings, operating under a 12-year contract with the Minister that runs from 1 July 2015 to 30 June 2027, with renewal options every four years. The Ministry negotiates and monitors this contract on your behalf.

## Upcoming priority work

**Annex One** outlines the Ministry's existing work programme on aviation and maritime. **Annex Two** outlines key decisions for you as Associate Minister of Transport through to 28 February 2025. We have focused on actions needed to meet legislative requirements or comply with time-sensitive government processes. We will also provide your office with an overview of upcoming advice where you have greater discretion on timing of decisions.

## Annex One – Existing work programmes

Work programme	Description	Upcoming milestones
<b>Aviation</b>		
The Civil Aviation Act 2023	<p>The 2023 Act sets the foundations for the regulatory system to maintain a safe and secure civil aviation system into the future. The Ministry and the CAA are implementing the 2023 Act, focusing on a smooth transition for the sector to allow it to operate under the new regime without experiencing too much change and uncertainty. Therefore, we have focused on essential shifts from the former to the new regime.</p> <p>Once in force, the 2023 Act will give effect to a range of policy decisions including strengthened drug and alcohol management requirements, a modern airport regulatory regime, and a new review function for certain decisions made by the Director of Civil Aviation.</p> <p>You are responsible for appointing two Aviation Medical Conveners, and reviewers for the Independent Review function (IRF) being established under the 2023 Act. The IRF enables sector participants to seek expert independent reviews of specified decisions made by the Director of Civil Aviation.</p>	<p>We will brief you on this work in February.</p> <p>There are key decisions needed to support the implementation of the 2023 Act, as shown in Annex 2.</p>
Aviation Security Delivery Model	In August to October 2024 the Ministry consulted a targeted group of stakeholders on options to increase flexibility and value for money in the delivery of aviation security services, including options for outsourcing those services to airlines and airports.	We will brief you on the work and stakeholders' views in February.
Regional airport development	<p>In June 2025, Hamilton and Dunedin Airports will start new international services to Australia. For these services to start, AvSec and border agencies must establish operations at these airports. In December 2024 Cabinet agreed that regulations be made under the Airports (Cost Recovery for Processing of International Travellers) Act 2014 to prescribe that new or restarting airports must pay the establishment costs incurred by MPI and Customs. We also need a minor amendment to a levy order to enable AvSec to recover its costs.</p> <p>To allow aviation security services to be provided at Hamilton in June 2025, the airport must be security designated by the Minister for Transport; this is done via notice in the Gazette. Dunedin is already security designated.</p>	We will brief you on this work in February / March.
Interim Aviation Council	We recommend that you seek Cabinet approval of the National Aviation Policy Statement (NAPS). Some of the proposed actions relate to other parts of government, including the Ministry of Education, which is responsible for tertiary education policies affecting pilot training.	Your direction on the NAPS will be useful and we will provide you with an outline of the NAPS in February.
Advanced Aviation	Together with the CAA and MBIE, the Ministry is working at pace to implement the suite of actions agreed to by Cabinet to support advanced aviation.	If you wish, we can brief you on this work.

Regional Infrastructure Fund	The Government has created a Regional Infrastructure Fund (RIF) to invest in and improve regional infrastructure. The Fund of \$1.2 billion over three years is intended to help boost the economy, increase regional prosperity, and create jobs. The RIF is administered by Kānoa – the Regional, Economic Development & Investment Unit in MBIE. The preparation of advice on supporting regional air connectivity is underway.	We will brief you on this work in February.
Joint Venture Airports	The Ministry manages the Crown's interest in five Joint Venture airports in Whangārei, Whakatāne, Taupō, Whanganui, and Westport. These airports are jointly owned by the Crown and the District councils. The Joint Venture deeds specify that the Crown and the councils bear any operating losses and capital expenditure, in relation to the joint venture, in equal shares.	If you wish, we can brief you on this work.
Milford Aerodrome	Milford Aerodrome, located at the head of Milford Sound in Fiordland National Park, is the only civil aerodrome in New Zealand that is fully owned by the Crown. The Ministry manages the aerodrome on behalf of the Crown. The Ministry has contracted out the day-to-day running of the aerodrome to Invercargill Airport. Last year, the previous Associate Minister of Transport set new landing fees for the aerodrome. The fees come into effect on 1 April 2025.	If you wish, we can brief you on this work.
International connectivity	<p>New Zealand has international air services agreements with all its major source markets for tourism. The Ministry is responsible for negotiating these agreements and promotes 'open skies agreements' which allow airlines to operate without restriction as to the number of flights, routes to be operated, and the origin/destination of the passengers carried.</p> <p>The Civil Aviation Act 1990 (and the 2023 Act) provides that the Minister of Transport can authorise cooperative arrangements, such as code-sharing and joint venture alliances between international airlines. The effect of such authorisations is that the arrangements are exempt from the parts of the Commerce Act 1986 that relate to arrangements that substantially lessen competition or contain cartel provisions. Airline alliances can lead to efficiencies and cost savings, but they can also reduce competition if they lead to market dominance by a few players. The Ministry has received an application to reauthorise an agreement between British Airways and Qatar Airlines that is due to expire by 31 May 2025.</p>	<p>We will brief you and the Minister for Foreign Affairs on potential for changes to an air service agreement with Turkey in February/March.</p> <p>We will brief you on the reauthorisation of an agreement between British Airways and Qatar Airlines in March.</p>
First principles funding review will begin in early 2025	<p>The CAA has completed a pricing review to ensure it has sufficient funding under its cost recovery model. Since 2020, the CAA has been subsidised by the Crown, which stepped in to cover the shortfall in revenue which occurred when borders were closed during the COVID-19 pandemic. In December 2024, Cabinet approved the new rates for levies, fees, and charges, and agreed to legislate pricing flexibility to allow these rates to be reduced as the CAA identifies further efficiencies. The new rates will return the CAA to self-sustainability and will be implemented by 1 July 2025.</p> <p>A more detailed, first principles funding review is soon to get started. The review is an opportunity to align the CAA's financial, operating, and regulatory model with modern demands, especially as Government pushes for growth in</p>	We will brief you further on this work.



	<p>advanced aviation technologies, to drive economic growth. Addressing these issues now will help the CAA actively support industry innovation, focus on its core functions, uphold international standards, and achieve alignment with the Government's fiscal sustainability expectations. The outcomes of this review will be implemented on 1 July 2027.</p>	
On-time aviation performance reporting	<p>A key part of the Ministry's stewardship role is to use data and evidence to build greater transparency of aviation system performance. The Ministry publishes a monthly report on airlines' on-time performance. The report covers services on our domestic routes between Auckland, Wellington, Christchurch, Dunedin and Queenstown, and on routes between New Zealand and Australia. The next extension will be to include regional routes. The Ministry is currently exploring options to include public reporting on airfares.</p>	<p>If you wish, we can brief you on this work.</p>
<b>Maritime</b>		
Legislative reform	<p>Maritime legislation is now 30 years old. Gaps in the regulatory framework are creating safety, environmental and security risks. The regulatory environment is at times confusing and inefficient for both the sector and regulators.</p> <p>The Ministry has been working with Maritime NZ on proposals to amend the Maritime Transport Act 1994 and the Maritime Security Act 2004, drawing on issues identified and supported by the maritime sector.</p>	<p>We will seek your approval in March to go to Cabinet with a discussion document to consult publicly on the amendments.</p>
The future of shipping and shipping decarbonisation	<p>New Zealand's geographic position and trading profile makes us dependent on international shipping companies for connections to overseas markets. Stakeholders have raised concerns about port productivity and the impact that this has on New Zealand trade. Streamlined approvals for port expansion (enabled under Fast-track Approvals legislation) are likely to assist.</p> <p>The global trend is for larger, greener ships that most of our ports will not be able to take. Some key exporters are facing carbon charges to access markets such as the European Union. Costs for international shipping may also increase further if the IMO agrees to implement an economic measure to reduce shipping emissions.</p> <p>The Climate Change Commission has also recently recommended that emissions from international shipping to and from New Zealand are included in the 2050 emissions target. The Government is required to respond to the report by the end of 2025.</p> <p>The Ministry has been exploring the regulatory barriers to green shipping and providing input to sector-led work to identify the conditions required for trans-Tasman green shipping corridors (a commitment made by the joint Australia-New Zealand Climate and Finance Ministers – the 2+2 Ministers).</p>	<p>A sector-led report on the conditions required for trans-Tasman green shipping corridors will be published in May. We will provide advice on the findings and implications for the government to coincide with this and support you in any 2+2 reporting.</p>



Chatham Islands Replacement Shipping Project	<p>Budget 2022 set aside funding to purchase a new ship to serve the Chatham Islands when the existing ship reaches the end of its service life in March 2026. In 2024, Ministers decided that a brand-new ship was no longer viable, due to the costs of maintaining the existing ship and cost inflation. Instead, Ministers agreed to test the market to determine whether a shipping service could be procured from the private sector.</p> <p>We received 11 responses to a recent Request for Information, which indicates a high level of interest in the opportunity. We are now preparing a formal Request for Proposals process which we expect to commence in March 2025. Cabinet decisions will be required before a contract with a preferred supplier is signed.</p>	We will brief you and other relevant Ministers on the next steps in the procurement process in March.
<b>Vehicle regulatory settings</b>		
Changes to vehicle regulatory settings	This includes proposals to move to annual Warrant of Fitness/Certificate of Fitness inspections for vintage light vehicles and private heavy motorhomes and introducing requirements for vehicles entering the New Zealand fleet to have automatic emergency braking, lane-keep support systems, and (for heavy vehicles) electronic stability control.	We will brief you in late February, including providing a draft Cabinet paper seeking approval for public consultation on these proposed changes.

## Annex Two – Time-critical decisions through to 28 February 2025

### Category 1: Actions or decisions that must be taken

The section below outlines the key issues that you will need to attend to, to meet legislative requirements or comply with time sensitive government processes.

Action	Description and reason for timing	Timing
<b>Actions to implement the Civil Aviation Act 2023 by 5 April 2025</b>		
<b>Approve</b> Ministerial consultation on the Cabinet paper on Civil Aviation (Offences) Regulations 2025	We seek your approval to undertake Ministerial consultation on a Cabinet paper seeking approval to Civil Aviation (Offences) Regulations, prior to lodging on 13 February. Departmental consultation is currently underway. The Civil Aviation (Offences) Regulations 2025 are needed to enforce the civil aviation rules, which have been updated as part of implementing the Civil Aviation Act 2023. <b>The paper needs to be considered by LEG on 20 February or, more feasibly given timing, CBC on 24 February and Cabinet/Executive Committee by 3 March</b> to take effect from 5 April.	Approve Ministerial consultation as soon as possible
<b>Support</b> the progress of the Cabinet paper on IRF (scope and cost) through Cabinet	Cabinet has approved the policy on scope and cost of the Independent Review Function (IRF) and invited the Minister of Transport to issue drafting instructions to PCO. This is a new function established under the Civil Aviation Act 2023. We are now preparing a LEG paper seeking approval to the regulations that specify the scope and cost of the function.  <b>The Cabinet paper and draft regulations need to be considered by LEG on 13 March and Cabinet/Executive Committee on 17 March.</b> We will be seeking a waiver to the 28-day rule to enable the regulations to take effect from 5 April.	Draft LEG Cabinet paper to you week of 10 February
<b>Consult</b> on proposed IRF Independent Reviewers	Independent reviewers for the IRF need to be appointed before the Act commences. Section 449 of the Civil Aviation Act 2023 requires the responsible Minister to consult on the proposed appointments and consider representations made. We recommend the Minister completes this before conducting Ministerial consultation. <b>The 25 March APH meeting is the latest timing to enable the reviewers to be in place by 5 April.</b>	Briefing to you week of 10 February

<p><b>Approve</b> Notices of Direction to require screening at international screening points, and AvSec &amp; Airways monopolies</p>	<p>Current Notices of Direction expire when the Civil Aviation Act 2023 takes effect on 5 April, for:</p> <ul style="list-style-type: none"> <li>the exclusive provision of aviation security services by AvSec and select aviation services by Airways</li> <li>the screening of inorganic powders, liquids, aerosols, and gels.</li> </ul> <p>Successive Governments have maintained these settings. To ensure continuity through the transition to the 2023 Act, we recommend Gazette notices be published that maintain these settings. We recommend <b>signing in time to gazette on or before 6 March 2025</b>. We provided briefings to the Minister of Transport seeking approval last year. These notices can be revoked to respond to any changes that Cabinet may make to the delivery of aviation security services.</p>	<p>Your decision recommended by 28 February</p>
<p><b>Other actions</b></p>		
<p><b>Approve</b> a Cabinet paper on an Aviation (Safety and Security) Levies Order Amendment for Ministerial consultation</p>	<p>In June 2025, Waikato Regional Airport Limited (WRAL) and Dunedin Airport intend to start new international services to Australia. For such services to commence, AvSec must provide its services at these airports to the standards required under domestic law and international requirements. Under current settings, AvSec would be unable to recover costs at these locations. Cabinet has given policy approval for a Levies Order amendment to enable AvSec to resolve this. The Levy Order policy process and amendment is being led by the Ministry for Primary Industries (because they administer the Airports Cost Recovery Act). Together with MPI, we are preparing papers for the Minister for Biosecurity (lead Minister) and you, seeking joint agreement to lodge for consideration by LEG on 13 March.</p>	<p>Draft Cabinet paper to you week of 10 February</p>
<p><b>Approve</b> legislation bids on aviation and maritime issues for submission to the Cabinet Office</p>	<p>You are required to submit bids for the 2025 Legislation programme to the Cabinet Office as soon as possible this week. This needs to cover foreseeable legislative priorities for the remainder of the Parliamentary term, to support the Government to plan and deliver the commitments it has agreed for the full term.</p> <p>We recommend progressing bids on aviation security and updating maritime legislation. We will brief you on this process and provide you with legislative bids and a letter to submit to the Cabinet Office.</p>	<p>Briefing to you the week of 10 February for submission of legislative bids to Cabinet Office</p>
<p><b>Approve</b> proactive release of papers about the Civil Aviation (Montreal Convention) Order</p>	<p>Papers on the Civil Aviation (Montreal Convention) Order 2024 were considered and confirmed by Cabinet on 16 December 2024. The documents must be published by 21 February 2025. This date takes into account the non-working days falling between 16 December 2024 and 21 February 2025.</p>	<p>Briefing to you week of 10 February</p>
<p><b>Decide</b> on attendance at Regional Aviation Ministers' Meeting</p>	<p>The NZ Minister responsible for aviation has been invited to attend the Regional Aviation Ministers' Meeting (RAMM) in Fiji – 19-21 March 2025. A decision on whether to attend is required. The RAMM meeting brings together Pacific Ministers responsible for aviation to consider the wide-ranging aviation needs and security in the region. This year's meeting (noting there was no meeting in 2024) will be hosted by the Government of Fiji, who have sent the invitation.</p>	<p>Your decision is required by 14 February</p>

## Category 2: Recommended actions or decisions

These are discretionary decisions we will be seeking from you, some of which carry significant financial, legislative or stakeholder risks and early decisions are desirable.

Action	Description and reason for timing	Timing
<b>Agree</b> maritime and aviation components of the Regulatory Systems (Transport) Amendment Bill No. 2	<p>The 2025 Legislative Programme is proposed to include a Regulatory Systems (Transport) Amendment Bill (2025 RSTA Bill) with priority category 3 (a priority to be passed by the end of 2025). Regulatory Systems Amendment Bills are omnibus bills amending legislation to ensure that it remains fit-for-purpose.</p> <p>Minister Bishop is the lead Minister for the RSTA Bill which will include several reforms to land transport legislation that need to be passed in 2025.</p> <p>There are several minor amendments to maritime legislation to address inconsistencies, improve efficiencies and ensure alignment with international conventions that were publicly consulted on in mid-2022, and approved by the previous Government. We recommend you agree to include these in the 2025 RSTA Bill.</p> <p>There are several minor amendments to the Civil Aviation Act 2023 to address cross references and other editorial matters.</p> <p>Your agreement by 17 February will enable us to provide drafting instructions on these proposals to Parliamentary Counsel Office for their inclusion in the 2025 RSTA Bill.</p>	Briefing to you week of 10 February
s 9(2)(f)(iv)		
<b>Provide direction</b> on Regional Air Connectivity	<p>s 9(2)(f)(iv)</p> <p>The RDMG met on 10 February and asked officials to provide the advice to you and Minister Jones in the first instance, before consideration by the wider Group.</p>	Briefing to you week of 17 February
<b>Provide direction</b> on the draft Aviation security services Cabinet paper	<p>s 9(2)(f)(iv)</p>	Draft Cabinet paper to you week of 17 February



Action	Description and reason for timing	Timing
	s 9(2)(f)(iv)	
<b>Approve</b> steps for the development of the Maritime Legislation Bill	The Ministry and Maritime NZ will seek your approval to commence targeted stakeholder consultation on policy changes that would eventually be included in the Maritime Legislation Bill.	Briefing to you week of 17 February
<b>Approve mandate</b> for officials to progress discussions with Australian officials following 2+2 meeting in July 2024	We will seek approval from you, the Minister of Finance, and the Minister of Climate Change to proceed with trans-Tasman discussions following the Australia-New Zealand 2+2 Climate and Finance Dialogue in July 2024. There is some reputational risk (with respect to the New Zealand aviation sector and the Australian Government) with not proceeding in a timely manner.	Briefing to you: week of 17 February
<b>Approve</b> items needed for review of the Maritime Labour Convention (MLC) Code	Maritime NZ and MBIE will jointly brief you and Minister van Velden, seeking approval of 1) any New Zealand Government positions for the MLC Code, 2) any written observations New Zealand may wish to submit in advance, and 3) a negotiating mandate for the Special Tripartite Committee.	Briefing to you week of 17 February
<b>Direct</b> officials on matters concerning negotiations with members of the IMO	We will seek direction from Ministers to support progression of negotiations with international counterparts in the IMO. We will advise whether Cabinet approval is also needed. The IMO is negotiating a plan to mitigate greenhouse gas emissions from shipping. Cabinet issued a negotiating mandate in September 2024.	Briefing to you week of 24 February
<b>Approvals</b> for funding reviews	Transport agency user charges for regulatory services are periodically reviewed through the funding review process. Following a pricing review last year, Cabinet approved new rates for levies, fees, and charges, and agreed to legislate pricing flexibility to allow these rates to be reduced as the CAA identifies further efficiencies. The new rates will return the CAA to self-sustainability and will be implemented by 1 July 2025.  A more detailed, first principles funding review will begin in early 2025. The review is an opportunity to align the CAA's financial, operating, and regulatory model with modern demands, especially as the Government pushes for growth in advanced aviation technologies, to drive economic growth. The outcomes of this review will be implemented by 1 July 2027. We will be seeking your approval for key steps relating to the first principles funding review.	Briefing to you week of 24 February



Action	Description and reason for timing	Timing
<b>Approve</b> Letter of Expectations to transport entities	We will seek your approval on Letters of Expectations for the CAA, Maritime NZ, and TAIC.	Briefing to you week of 24 February
<b>Approve</b> release of monthly on-time-performance report for airlines	The Ministry reports monthly on airlines' on-time performance. The report covers services on New Zealand domestic routes between Auckland, Wellington, Christchurch, Dunedin and Queenstown, and on routes between New Zealand and Australia. In February the report will also cover regional routes.	Briefing to you week of 24 February
<b>Receive</b> update briefing to Minister Collins on advanced aviation (for noting)	A progress update is being prepared for Minister Collins on implementation of the advanced aviation suite of actions, agreed by Cabinet in September 2024. This will be provided to you for your information.	Briefing cc'd to you week of 24 February
<b>Approve</b> a Cabinet paper on vehicle regulatory settings for Ministerial consultation	This timing will allow public consultation to take place and any final rule changes to come into effect by the end of the year.	Briefing to you week of 24 February
<b>Receive</b> update on potential changes to an air services agreement with Turkey	Turkish Airlines has indicated it may start services to New Zealand in 2025. New Zealand may need to negotiate amendments to the bilateral air services arrangements with Türkiye.	Briefing to you and the Minister of Foreign Affairs 24 February
<b>Provide direction</b> on various appointments	We will seek your direction on upcoming term expiries on aviation-related Crown entity boards in the first quarter of 2025.	Briefing to you February/ March 2025
<b>Receive</b> Crown Entity Performance Reports	A Quarter Two performance report for CAA is due in February/March 2025 (depending on when its respective board approves each report). TAIC will also have a half year report due around the same time.	Briefing to you February / March 2025

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