



OC210358

27 May 2021

[REDACTED] Withheld to protect personal privacy

Tēnā koe [REDACTED] Withheld to protect personal privacy

I refer to your request dated 29 April, 2021, pursuant to the Official Information Act 1982 (the Act), seeking:

*"I request the following documents:*

- #21 Meeting with Wisk and other aerospace companies*
- #28 Proposal for 158 Paremata Road, Porirua*
- #40 Meeting with New Zealand Council of Cargo Owners*
- #43 Proposed amendments to the Road User Charges legislation to improve the Road User Charges system*
- #45 Pacific Aerospace Limited*
- #51 Meeting with Seafarers Welfare Board of New Zealand*
- #58 Vehicle Ownership Dispute*
- #67 Briefing for 2 March Meeting with Civil Aviation Authority Officials*
- #75 Meeting with Robert Courts MP, UK Parliamentary Under-Secretary Of State At The Department Of Transport*
- #80 Correspondence from the Regulations Review Committee regarding the e-scooters (Declaration Not to be Motor Vehicles) Notice 2018*
- #89 Meeting with the Transport Accident Investigation Commission's Chief Commissioner and Chief Executive - 2 March 2021 **This is likely wrapped up in the previous OIA I requested, in which case ignore from this list***

Eleven documents fall within scope of your request, of which four have been transferred to other agencies. As previously communicated, document 89 - *Meeting with the Transport Accident Investigation Commission's Chief Commissioner and Chief Executive - 2 March 2021* falls within scope of your separate Official Information Act request regarding the Transport Accident Investigation Commission and hence has not been included in this response.

Table 1 outlines how the documents you have requested have been treated under the Act. You will see that information has been withheld under the following sections:

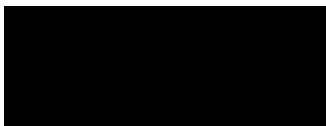
- 6(a), relating to prejudice to the international relations of the New Zealand Government
- 6(b)(i), relating to prejudice to the confidential entrusting of information to the New Zealand Government by other governments
- Section 9(2)(a), to protect the privacy of natural persons
- Section 9(2)(b)(ii), 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
- Section 9(2)(f)(iv), to maintain the constitutional convention for the time being which protects the confidentiality of advice tendered by Ministers of the Crown and officials
- Section 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 department or organisation in the course of their duty
- 9(2)(h), necessary to maintain legal professional privilege

I am satisfied that the public interest in releasing withheld information does not outweigh the reasons for withholding it at this time.

You have the right under section 28(3) of the Act to make a complaint about the withholding of information to the Ombudsman, who can be contacted at: [info@ombudsman.parliament.nz](mailto:info@ombudsman.parliament.nz)

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Withheld to protect personal privacy

Hilary Penman  
**Manager, Ministerial Services**

**Table 1**

	<b>Document</b>	<b>Description of information withheld</b>
1	Doc 21 – OC210024 - Meeting with Wisk and other aerospace companies	Some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
2	Doc 28 – Proposal for [REDACTED] [REDACTED] Withheld to protect personal privacy	Transferred to Waka Kotahi, 3 May 2021.
3	Doc 40 - OC210084 - Meeting with New Zealand Council of Cargo Owners	Some information withheld under Sections 9(2)(a), 9(2)(h) and 9(2)(g)(i).
4	Doc 43 - OC210080 - Proposed amendments to the Road User Charges legislation to improve the Road User Charges system	Withheld in full under Section 9(2)(f)(iv).
5	Doc 45 – Pacific Aerospace Limited	Transferred to Civil Aviation Authority, 3 May 2021.
6	Doc 51 OC210038 - Meeting with the Seafarers Welfare Board of New Zealand	Some information withheld under Section 9(2)(a).
7	Doc 58 – Vehicle Ownership Dispute	Transferred to Waka Kotahi, 3 May 2021.
8	Doc 67 – Briefing for 2 March Meeting with Civil Aviation Authority Officials	Transferred to Civil Aviation Authority, 3 May 2021.
9	Doc 75 OC210123 - Meeting with Robert Courts MP, UK Parliamentary Under-Secretary Of State at the Department Of Transport	Some information withheld under sections 6(a), 6(b)(i), 9(2)(a), 9(2)(b)(ii), 9(2)(f)(iv), and 9(2)(g)(i).

10	Doc 80 – OC210107 – Correspondence from the Regulations Review Committee regarding the e-scooters (Declaration not to be Motor Vehicles) Notice 2018	Some information withheld under Section 9(2)(a).
11	Doc 89 – Meeting with the Transport Accident Investigation Commission’s Chief Commissioner and Chief Executive – 2 March 2021	Being included in your Official Information Act request regarding Correspondence with the Transport Accident Investigation Commission.



Ministry of **Transport**  
TE MANATŪ WAKA

## MEETING BRIEFING



**MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT**  
HĪKINA WHAKATUTUKI

9 February 2021

OC210024

Hon Dr Megan Woods  
**Minister of Research, Science and Innovation**

2021-2237

Hon Stuart Nash  
**Minister of Economic Development**

Hon Michael Wood  
**Minister of Transport**

### Meeting with Wisk and other aerospace companies

#### Snapshot

Late last year, Anna Kominik (Country Director, Wisk) and Mark Rocket (CEO Kea Aerospace and President Aerospace Christchurch) wrote to all three responsible Ministers, outlining their views on the role of Government in supporting the aerospace sector. They requested a meeting between aerospace sector representatives and Ministers to discuss the current state of the aerospace sector. We expect that the aerospace sector representatives are likely to seek commitment from the Government to support the development of the sector.

<b>Time and date</b>	4.00pm – 4.30pm, 11 February 2020
<b>Venue</b>	
<b>Attendees</b>	Anna Kominik (Country Director New Zealand, Wisk) Mark Rocket (CEO, Kea Aerospace)
<b>Officials attending</b>	Dr Peter Crabtree (General Manager – Science, Innovation and International, Ministry of Business, Innovation and Employment) John Kay (Deputy Chief Executive – System Practice & Design, Civil Aviation Authority) Richard Cross (Manager Strategic Policy & Innovation, Ministry of Transport) Joe McKay (Strategic Partnership Manager, Ministry of Business, Innovation and Employment)

IN CONFIDENCE

**Agenda** There is no formal agenda for this meeting but it is likely to cover challenges and opportunities raised in the aerospace sector representatives briefing.

**Discussion points** A list of discussion points based on the challenges raised by the aerospace sector representatives are included (attached in Annex 2)

**Contacts**

Name	Telephone	First contact
Dr Peter Crabtree (General Manager, Science, Innovation and International, Ministry of Business, Innovation and Employment) <i>(First contact for Hon Minister Woods and Hon Minister Nash)</i>	[REDACTED]	✓
Dimitri Geidelberg (Principal Policy Advisor, Space Policy and Regulatory Systems, Ministry of Business, Innovation and Employment)	[REDACTED]	
Richard Cross (Manager Strategic Policy & Innovation, Ministry of Transport) <i>(First contact for Hon Minister Wood)</i>	[REDACTED]	✓
Joe McKay (Strategic Partnership Manager, Ministry of Business, Innovation and Employment)	[REDACTED]	
Joren Kruij (Graduate Adviser Strategic Policy & Innovation, Ministry of Transport)	[REDACTED]	



Dr Peter Crabtree  
**General Manager Science,  
Innovation and International,  
Ministry of Business, Innovation  
And Employment**

Richard Cross  
**Manager, Strategic Policy and  
Innovation  
Ministry of Transport**

09 /02 /2021

09 /02 /2021

All material on this page withheld under Section 9(2)(a) of the Official Information Act 1982

Hon Dr Megan Woods  
**Minister of Research, Science  
and Innovation**

..... / ..... / .....

Hon Stuart Nash  
**Minister of Economic  
Development**

..... / ..... / .....

Hon Michael Wood  
**Minister of Transport**

..... / ..... / .....

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

## Meeting with Wisk and other aerospace companies

### Key points

- The aerospace sector encompasses advanced aviation activities (for example, drone operations) and space activities. It is an important growth sector for New Zealand because of the significant economic and social benefits it can deliver.
- Aerospace sector representatives – led by Anna Kominik (Country Director, Wisk) and Mark Rocket (CEO Kea Aerospace and President Aerospace Christchurch) - wish to discuss current opportunities and challenges in the aerospace sector that could slow down its development. We expect that the aerospace sector representatives are likely to seek commitment from the Government to support the development of the sector.
- The aerospace sector representatives have identified the following challenges that need to be addressed: New Zealand lacks an overarching national Aerospace Strategy; the Civil Aviation Authority (CAA) has been unable to process Part 102 applications for drone operations in a timely manner; there is limited funding for research and development in the aerospace sector; there is a need for airspace integration; and the aerospace sector has a shortage of qualified talent.
- The aerospace sector representatives believe that New Zealand needs an overarching national Aerospace Strategy to promote and sustain a valuable aerospace industry. While there is no such strategy at this time, the Government has already released a vision for drones, and strategic frameworks and cross-agency programmes are provided to support the sector. Work has also been underway on a national space strategy.
- According to the aerospace sector representatives, capacity and capability issues at the CAA are a significant barrier to growing the aerospace industry. The CAA acknowledges these issues. A reallocation of funding from the Ministry of Business, Innovation and Employment (MBIE) has been made available to help solve the capacity and capability issues. New staff members have already been recruited to help reduce the Part 102 backlog. We do not see a need for additional funding until the impact of the previous funding has been analysed.
- The aerospace sector representatives are seeking a full regulatory review to grow the aerospace sector. The Ministry of Transport (MoT) has reviewed aspects of the drone regulatory framework and proposed a set of regulatory measures to ensure New Zealand can respond to evolving technologies and international practices, while maintaining appropriate levels of safety and security.
- MoT and MBIE are working closely together to support the aerospace sector and to ensure that New Zealand unlocks the potential benefits from this sector, while maintaining appropriate levels of safety and security.



## What concerns do the aerospace sector have?

1. The aerospace sector encompasses advanced aviation activities (for example, drone operations) and space activities, which can deliver significant economic and social benefits to New Zealand. The value of the benefits of drone applications to the economy could be as high as \$7.9 billion over 25 years.<sup>1</sup> According to research undertaken in 2019, New Zealand's space sector contributed \$1.69 billion to the economy and employed 5,000 people directly, and supported a further 7,000 jobs indirectly.<sup>2</sup> This is only a small fraction of the estimated USD400 billion per annum global space sector; there is potential for New Zealand to grow a much larger industry by capturing a larger market share. We do not yet have a full economic analysis of the value of the wider aerospace sector.
2. New Zealand has strengths across all parts of the aerospace value chain, from vehicle and instrument manufacturing through to 'downstream' use of data and signals. There is particular potential for growth in applying remote sensing data to lifting economic productivity and addressing governmental challenges, e.g. precision agriculture, environmental and hazard monitoring, and efficiently monitoring our seas.
3. There are a number of adjacencies between the space and advanced aviation sectors in areas including access to capital, manufacturing and technologies, skills requirements and infrastructure needs. When combined with New Zealand's relative lack of scale, we think that it is optimal for Government to focus on challenges and opportunities across the broader aerospace sector and look to options to support the development of the sector as efficiently as possible.
4. On 17 November 2020 a group of aerospace companies<sup>3</sup> sent a briefing to your respective offices concerning the Government's role in supporting New Zealand's aerospace sector. The aerospace sector is increasingly cooperating and forming groups to address their concerns and needs as one voice to the Government.
5. The aerospace sector representatives have identified challenges and recommended actions to take advantage of the opportunities the sector offers. They note that the following challenges need to be addressed:
  - New Zealand currently lacks an overarching national Aerospace Strategy
  - The Civil Aviation Authority (CAA) has been unable to process Part 102 applications for drone operations in a timely manner
  - There is limited funding for research and development in the aerospace sector
  - Airspace integration is required to support the growth of the aerospace sector; and
  - New Zealand has a shortage of qualified talent in the aerospace sector.

<sup>1</sup> According to the Drone Benefit Study completed by Market Economics Limited. The estimate is based on information provided by stakeholders.

<sup>2</sup> Deloitte New Zealand Space Economy Report (2019).

<sup>3</sup> Wisk New Zealand, Kea Aerospace and Aerospace Christchurch (Christchurch and Canterbury Aerospace community).

6. We have provided you with background information on each of the challenges and proposed actions raised in the briefing. Biographies of all those attending the meeting are attached in Annex 1, and suggested discussion points found in the body of the briefing have been consolidated and attached in Annex 2.
7. The CAA has provided input to this briefing. The meeting will be attended by officials from MoT, MBIE and the CAA.

### Issue 1: New Zealand currently lacks an overarching national Aerospace Strategy

8. The aerospace sector representatives believe that New Zealand needs an overarching national strategy for aerospace to help propel attraction, funding, and regulatory and development conversations both domestically and internationally. They note that other jurisdictions are already developing Aerospace Strategies that outline future goals and directions. They propose a New Zealand Aerospace Strategy should be developed, linking space and aviation to key goals that will promote and sustain a valuable aerospace industry in New Zealand.
9. While there is no overarching strategy at this time, MBIE is working with other agencies and key sector players to develop a draft space strategy.

There is strong demand from domestic and international stakeholders for the release of a space strategy and this would complement the broader Aerospace Strategy proposal.

Withheld under Section 9(2)(f)(iv) of the Official Information Act 1982

10. In addition, in 2019, the Government released a vision for drones (as outlined in *Taking Flight: Drone Integration Paper*). The paper acknowledges that New Zealand will aim to retain its competitive advantage over other jurisdictions and remain at the forefront of drone development. The long-term objective is to integrate drones into the aviation system and ultimately into the wider transport system. A range of projects and cross-agency programmes are underway to support the aerospace sector. MBIE has provided strategic frameworks that attract research and development in order to build competitive advantage in transformative and emerging technology areas.
11. The development of an Aerospace Strategy would clearly signal the sector's importance and we propose that its focus should be on economic development and innovation rather than the space and aviation sectors as a whole (aspects like regulatory reform would be out of scope). However, safety and national security issues need to be considered throughout its development.
12. Discussion points:

- *If a New Zealand Aerospace Strategy is developed, what aspects should be included in its scope?*
- *Do you have any information on how similar aerospace strategies have been received in overseas jurisdictions?*

**Issue 2: The CAA has been unable to process Part 102 applications for drone operations in a timely manner**

13. The aerospace sector representatives are concerned that the CAA has been unable to process applications for Part 102 certification in a timely manner.<sup>4</sup> They have identified this as a significant barrier to growing the aerospace industry. According to the aerospace sector representatives, there have been examples of start-ups and established companies relocating operations to other jurisdictions as a direct result of these delays. They propose that the capacity and capability issues at the CAA can be addressed as part of a national Aerospace Strategy, which should help the CAA's governance and management to adapt.
14. According to the aerospace sector representatives, civil aviation authorities must think beyond traditional aviation concepts where there is uncertainty with regards to unmanned aircraft operations. They argue that the current case-by-case regulatory assessment is unsustainable and therefore requires a full regulatory review to grow the aerospace industry.

*We agree that the certification of Part 102 applications has not been timely*

15. The CAA acknowledges that there have been difficulties with the certification process for Part 102 applications. The previous Minister of Transport has already raised this issue with the CAA board. The MoT does not see a need for additional funding to the CAA until the impact of the previous reallocation of funding has been evaluated. In 2018, funding reallocated from MBIE's Science and Innovation portfolio was made available to solve capacity and capability issues, and to help reduce the Part 102 backlog. However, it has taken longer than anticipated to use this funding. The CAA has used part of the funding to recruit four new staff members to help reduce the backlog and a business case proposing additional certification staff is being considered.
16. The CAA has also been trialling the XP42 platform<sup>5</sup> to improve collaboration with companies during the Part 102 application process, which shows their willingness to try a more efficient work approach. The MoT emphasises that the aerospace sector in New Zealand offers a lot of opportunities for companies. The Aerospace Integration Trial Programme (AITP) has been established by MBIE with a vision to make New Zealand a location of choice for the safe development, testing and market validation of advanced drone operations.<sup>6</sup> There are currently three aerospace companies in the AITP and many more interested in joining the programme. We do not share the opinion of the aerospace sector representatives that there is a major risk of aerospace operations being relocated out of New Zealand.

---

<sup>4</sup> Part 102 certification is required for operations that exceed standard parameters such as flying beyond visual line of sight (BVLOS), flying above people, flying above property, flying at night and flying with heavy aircrafts weighing more than 25 kg

<sup>5</sup> XP42 is a SaaS application that provides a collaborative working space through which regulators and certification applicants can interact to progress applications with greater efficiency. The founders are former/present Air New Zealand employees with first-hand experience in navigating through the CAA's processes.

<sup>6</sup> The AITP aims to support research and development through a portfolio of drone applications. Programme objectives include realising full potential of innovation within regulatory regimes and generating evidence to inform regulatory and policy decisions on drone integration.

*We do not believe that a further wide-scale regulatory review of the drone rules is necessary at this time*

17. The current framework for aerospace operations is functioning well, however the rapid growth of the sector has caused an increasing demand for advanced drone operations under Part 102. The MoT agrees that further regulatory work is required in upcoming years and has already, with the support of the CAA, reviewed aspects of the current regulatory regime for drones.
18. A set of regulatory measures (outlined in the Government's *Drone Discussion Document*)<sup>7</sup> has been proposed to ensure that New Zealand can rapidly respond to evolving technologies and international practices, while maintaining appropriate levels of safety and security. The proposed measures include registration of all drones over 250 grams (to encourage accountability of drone pilots) and the introduction of a basic pilot qualification for all drone pilots. Further regulatory amendments are likely to be required in the future, but would be difficult to justify until the technology has developed and we have more evidence about the specific barriers.
19. Discussion point:

- *We acknowledge the CAA has struggled to process novel applications for drone operations in a timely manner. It is working through the Part 102 application backlog. MoT is monitoring the situation and will work closely with the CAA to consider other approaches to reduce the backlog if it does not improve.*

### **Issue 3: The funding of research and development in the aerospace sector in New Zealand has been limited**

20. The aerospace sector representatives seek the establishment of a contestable Aerospace Growth Partnership Fund to encourage research and development and innovation in aerospace. They believe that the current funding processes, through either existing contestable science and research funds, Callaghan Innovation or New Zealand Trade and Enterprise are useful but are neither agile enough, nor easily accessible to firms in the aerospace sector.
21. Although New Zealand doesn't currently have a dedicated funding mechanism to support the aerospace sector, the government has made a number of significant investments in aerospace related science, research and innovation in recent years, including:
  - **The MethaneSAT mission**, totalling \$26 million and which will include investments in a science programme and a New Zealand-based mission operations control centre (MOCC), a critical piece of infrastructure for the future development of the sector.

<sup>7</sup> The Drone Discussion Document aims to generate feedback from stakeholders on proposed regulatory measures for the drone sector. The aim is to release this document to the public in the first quarter of 2021.

- **The joint New Zealand-DLR partnership**, which MBIE has notionally set aside \$9 million from the Catalyst Fund which will provide opportunities across our aerospace research, science and innovation system.
  - **The Catalyst space call**, through which MBIE awarded \$3 million for six projects involving international collaborations in launch vehicle and satellite technologies.
  - **Through existing general contestable science funding schemes**, e.g. an \$11.6 million Endeavour Fund grant to the Robinson Research Institute to investigate advanced electric propulsion systems using high-temperature superconductors; a Marsden Fund grant to the University of Canterbury to research adaptive optics for enhancing optical communications; and the establishment of the Advanced Energy Technology Platform, a \$50 million fund intended to develop world-leading capability in areas of advanced energy science.
  - **The Entrepreneurial Universities Fund** led to the establishment of the Auckland Space Institute.
22. While we agree that access to research, science and innovation funding plays a key role in driving the sector, in many cases government can better drive aerospace development through support in other areas. For example, the government space policy and regulatory functions also support the industry in a number of ways, including by not currently charging fees to applicants for permits or licences or by developing policy positions for novel uses of space that allow activity to occur in or from New Zealand.
23. In addition, the Government has made significant investments in infrastructure in recent years, which will help to develop New Zealand's aerospace sector, including investing:
- **An initial \$2 million in developing a regional satellite-based augmentation system** to improve the accuracy, integrity and availability of basic Global Navigation Satellite System signals, like GPS.
  - **\$8.3 million via the Provincial Growth Fund** in upgrades to roads in and around Mahia, which will provide Rocket Lab more secure access to their launch site.
  - In the development of a **set of core space qualification and testing facilities** at the University of Auckland.
24. While the traditional aviation sector has seen a significant decline due to COVID-19, the aerospace sector has continued to see high levels of investment and growth internationally. For New Zealand to retain its competitive advantage, it will be necessary to continue supporting research which both enables firms to grow and drives world-leading policy and regulatory development.
25. This is already occurring to a limited extent, with New Zealand companies being funded to work with leading researchers in Europe.

26. Discussion points:

- *Funding for research, science and innovation in New Zealand is generally provided through regular contestable funding rounds. What are your experiences with these funding processes? Are you aware of any overseas models for contestable funds that in your opinion the Government could usefully employ?*
- *I understand Dawn and Kea have both submitted proposals under MBIE's Catalyst: strategic contestable funding programme, how do you think this type of contestable funding could be scaled to meet Aerospace as well as Space needs.*
- *MethaneSAT is New Zealand's biggest space science programme, how do you see the benefits spilling over into the Aerospace sector and how can we best harness these to grow the sector?*

**Issue 4: There is a need for airspace integration to support the growth of the aerospace sector**

27. Aerospace sector representatives note that airspace integration is essential to support the growth of the unmanned aircraft industry in New Zealand. The AITP was established to drive economic and innovation, while helping to determine the regulatory and policy challenges around the future of airspace integration.
28. All three agencies work closely with the sector and particularly with AITP industry partners – including Wisk and Kea Aerospace - to support research and development which will help agencies address some of those challenges. The next phase of the AITP will involve identifying current barriers to progressing airspace integration. We anticipate that this will include:
- Joint industry-Government research to address key challenges;
  - Identifying any necessary supporting infrastructure, e.g. dedicated test sites for testing and trialling of advanced aviation platforms.
29. In addition, the MoT has undertaken a preliminary investigation of Unmanned Aircraft Traffic Management (UTM) systems and the role they could play in New Zealand. These systems are comprised of a range of digital services and bring together information from different sources to enable drones to operate efficiently, safely and securely in shared airspace. Much of MoT's regulatory work is intended to enable UTM to be developed over time. MoT is currently considering additional work that would be required to implement UTM in New Zealand and will brief Minister Wood on a proposed way forward in the first half of 2021.
30. The CAA has been in close contact with aviation agencies in other jurisdictions to share data and certification information. MoT officials are also joining the Australian Government's UTM workshops.

31. Discussion points:

- *What could be improved in the Aerospace Integration Trial Programme in order to support the growth of the aerospace sector?*
- *What do you consider are the specific barriers to airspace integration?*

**Issue 5: New Zealand has a shortage of qualified talent in the aerospace sector**

32. To ensure New Zealand gains the greatest benefit from the growing aerospace sector, the aerospace representatives believe there is an opportunity and need to create a more robust and broadened pipeline of talent in the education system. The aerospace sector representatives propose that Science, Technology, Engineering and Mathematics promotion and curriculum at primary and secondary level should be focused on the skills, knowledge and subjects required for aerospace courses and jobs. They also note that an aerospace course should be established at one of New Zealand's tertiary institutions. Further, they suggest that the Tertiary Education's research cost structure needs to be revised to make it more attractive for companies and international students to engage with New Zealand's Universities and tertiary institutions.

33. The proposed measures by the aerospace sector could support the education of talent with an interest in aerospace. However, our advice is that MBIE officials should facilitate discussions on this subject with the Ministry of Education, Tertiary Education Commission, and tertiary institutions in order to identify what measures are needed to ensure New Zealand gains the greatest benefit of the growing aerospace industry. We understand that:

- The University of Auckland and the University of Canterbury have developed aerospace engineering courses at undergraduate and Masters level.
- Training opportunities will be provided through the establishment of Te Pūnaha Atea – Auckland Space Institute and the MethaneSAT mission control centre.
- The CAA has recently started education campaigns targeted at high schools to create awareness about drones and drone use.
- MBIE has run a range of educational initiatives over recent years (e.g. the New Zealand Space Scholarship, as well as aerospace enabled data challenges and hackathons) for students.

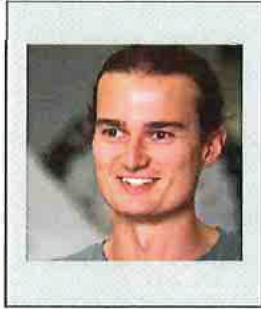
34. Discussion Points:

- *What are some initiatives aerospace companies could put in place to facilitate the development of skills in the sector?*
- *I understand that the measures you propose are mainly focusing on the education system. Have you discussed the proposed measures with tertiary institutions and/or the Ministry of Education? If so, what were the outcomes?*
- *What challenges have you had attracting skilled staff to the sector?*
- *Do you see opportunities to attract staff from the traditional aviation sector, which has been impacted by COVID-19?*

Annex 1 – Biographies

Aerospace Industry Representatives	
 <p>Mark Rocket  <b>Co-founder of Kea AeroSpace</b>                      Seed investor and former Co-Director of Rocket Lab</p>	<p>Mark Rocket was the seed investor and Co-Director of Rocket Lab from 2007 to 2011. Rocket Lab went from start-up phase to New Zealand’s first space launch and then went on to win contracts with international aerospace agencies. This established an entirely new space industry in New Zealand. He has also been operating internet and data companies for over 22 years and was a Founder of New Zealand Tourism Online, which became New Zealand’s leading commercial tourism directory, before being sold to Telecom Yellowpages in 2006.</p>
 <p>Anna Kominik  <b>Country Director Wisk.Aero</b></p>	<p>Anna Kominik is country director for Wisk (a joint venture between Boeing and Google Co-founder Larry Page) and sits on the Wisk Group executive team. Anna has a public and private sector background, as an entrepreneur, director, C-Suite manager and senior advisor to start-ups and community-led development enterprises. She was press secretary to two New Zealand Prime Ministers and a former Commonwealth Secretary General and was a Commonwealth Foundation Emerging Pacific Leader (2010). She is currently independent chair of the Electricity Retailers Association of New Zealand, a board member of the US-NZ Business Council and a trustee and board member of the New Zealand International Festival of the Arts and New Zealand Jazz Festival.</p>
 <p>Gary Freedman  <b>CEO &amp; Founder ElectricAir</b></p>	<p>Gary Freedman is the Founder and CEO of ElectricAir, a company that launched the first passenger carrying electric plane into New Zealand in 2020. With over two decades of experience in the renewable energy industry and a similar time spent flying various aircraft, Gary brought his two passions together with a determination to drive down emissions from the aviation industry.</p>





**Stefan Powell**  
**CTO & Co-founder**  
**Dawn Aerospace**

Stefan Powell has been building rockets since his early student years and spent his entire career in both rocket and satellite start-ups that push the envelope, including being on the Rocket Lab team testing the first firings of the electron rocket. CTO of Dawn Aerospace, Stefan now heads various technical teams building reusable launch vehicles and new space transportation technologies.



**James Powell**  
**GM and Co-Founder**  
**Dawn Aerospace**

James Powell is passionate about building systems and epic machines. As the General Manager of Dawn, James looks after finance and manages spaceplane certification. Prior, James spent 10 years in aircraft design, manufacture and certification for a range of global customers and quickly became one of the youngest Delegates of the Director of Civil Aviation, an authority he still holds. James also spent time building an investment portfolio to allow focus on growing Dawn rather than year-to-year income. James started engineering life with Lego and garage-based projects before studying Mechanical Engineering at the University of Canterbury.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

## Annex 2 - Discussion Points

*New Zealand currently lacks an overarching national Aerospace Strategy*

- If a New Zealand Aerospace Strategy is developed, what aspects should be included in its scope?
- Do you have any information on how similar aerospace strategies have been received in overseas jurisdictions?

*The CAA has been unable to process Part 102 applications for drone operations in a timely manner*

- We acknowledge the CAA has struggled to process novel applications for drone operations in a timely manner. It is working through the Part 102 application backlog. MoT is monitoring the situation and will work closely with the CAA to consider other approaches to reduce the backlog if it does not improve.

*The funding of research and development in the Aerospace sector in New Zealand has been limited*

- Funding for research, science and innovation in New Zealand is generally provided through regular contestable funding rounds. What are your experiences with these funding processes? Are you aware of any overseas models for contestable funds that in your opinion the Government could usefully employ?
- I understand Dawn and Kea have both submitted proposals under MBIE's Catalyst: strategic contestable funding programme, how do you think this type of contestable funding could be scaled to meet Aerospace as well as Space needs.
- MethaneSAT is New Zealand's biggest space science programme, how do you see the benefits spilling over into the Aerospace sector and how can we best harness these to grow the sector?

*There is a need for airspace integration to support the growth of the aerospace sector*

- What could be improved in the Aerospace Integration Trial Programme in order to support the growth of the aerospace sector?
- What do you consider are specific barriers to airspace integration?

*New Zealand has a shortage of qualified talent in the aerospace sector*

- What are some initiatives aerospace companies could put in place to facilitate the development of skills in the sector?

**IN CONFIDENCE**

- I understand that the measures you propose are mainly focusing on the education system. Have you discussed the proposed measures with tertiary institutions and/or the Ministry of Education? If so, what were the outcomes?
- What challenges have you had attracting skilled staff to the sector?
- Do you see opportunities to attract staff from the traditional aviation sector, which has been impacted by COVID-19?

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

12 February 2021

OC210084

**Hon Michael Wood**  
**Minister of Transport**

## Meeting with New Zealand Council of Cargo Owners

### Snapshot

You are meeting with members of the New Zealand Council of Cargo Owners (NZCCO). They are interested in discussing the ongoing congestion in the supply chain and possible solutions, and the longer-term issues outlined in their manifesto.

<b>Time and date</b>	4:30 p.m., 18 February 2021
<b>Venue</b>	Room 4.1 Executive Wing
<b>Attendees</b>	Jo Murray, Executive Officer, NZCCO (Saunders Unsworth) Simon Beale, Chair, NZCCO (T&G Global) Joanne Wilson, Deputy Chair, NZCCO (Silver Fern Farms) Mike Knowles, NZCCO (Zespri) Murray Home, NZCCO (Oji Fibre Solutions)
<b>Officials attending</b>	Harriet Shelton, Ministry of Transport David Stimpson, Ministry of Transport
<b>Agenda</b>	Agenda not provided
<b>Talking points</b>	Suggested questions to raise with NZCCO are attached for your consideration

### Contacts

Name	Telephone	First contact
Harriet Shelton, Manager, Supply Chain	[REDACTED]	✓
David Stimpson, Principal Advisor, Supply Chain	[REDACTED]	
Kieran Ireland, Advisor, Supply Chain	[REDACTED]	

Withheld under Section 9(2)(a) of  
 the Official Information Act 1982

## Meeting with New Zealand Council of Cargo Owners

### Key points

- You are meeting with Jo Murray, Simon Beale, Joanne Wilson, Mike Knowles, and Murray Horne, of the New Zealand Council of Cargo Owners (NZCCO), to discuss ongoing congestion in New Zealand's supply chains.
- Their letter of 15 December 2020 indicates that they are particularly interested in the capacity of road, rail, and coastal shipping networks to respond to supply chain congestion centred on Ports of Auckland (POAL).
- NZCCO may wish to discuss their proposal for a foreign vessel to be chartered to provide a coastal shipping service to alleviate pressure on New Zealand's maritime supply chains. Other supply chain stakeholders have made similar proposals in recent months.
- NZCCO's 2020 manifesto was attached to the letter, and outlines their longer-term recommendations for the supply chain. Their approach does not appear to materially differ with Government policy, and aligns with our proposed work on a national supply chain strategy.
- We have prepared suggested questions that you may wish to use in your meeting, attached as **Annex 1**. NZCCO's letter and manifesto are attached as **Annex 2**.

### Context

- 1 The New Zealand Council of Cargo Owners (NZCCO), known before 2019 as the NZ Shippers' Council, represents the supply chain interests of large volume cargo owners. We have engaged with NZCCO since late 2020 on the ongoing congestion issues in the supply chain.
- 2 Simon Beale and Joanne Wilson are expected to have attended the supply chain workshop the Ministry has organised in Auckland on 16 February 2021 with representatives of industry and the sector.
- 3 NZCCO's Executive Officer, Jo Murray, wrote a letter to you on behalf of NZCCO on 15 December 2020 to offer its assistance with solutions to ongoing supply chain congestion. The letter outlined NZCCO's views on the short- and long-term issues facing New Zealand's supply chains, including:
  - 3.1 The need for increased rail services to relieve the pressure being placed on the road network by congestion at POAL
  - 3.2 The role coastal shipping might play in addressing ongoing congestion at POAL, and the possibility of chartering a foreign vessel to provide services
  - 3.3 The longer-term investments that should be accelerated to strengthen the supply chain, as outlined in their 2020 manifesto.
- 4 These three points are discussed below.

## Supply chain capacity is limited in the short term

- 5 As you will be aware, ongoing congestion at POAL has increased pressure on New Zealand's supply chains in the short-term, as shipping lines increase their visits to ports elsewhere in New Zealand, consequently increasing demand for the road and rail networks to reposition freight.
- 6 NZCCO recognises the lack of a simple solution to the congestion at POAL, but considers that KiwiRail should increase capacity on the rail networks connecting Port of Tauranga, Napier Port, and CentrePort to Auckland.
- 7 We have explored this option with KiwiRail in depth over recent months. They have added further services where possible to meet demand, particularly between Tauranga and Auckland. KiwiRail's advice is that the rail network has limited capacity to provide more services at short notice, due to the finite supply of locomotives and rolling stock and the long procurement timeframe for new stock.

## Support for coastal shipping could be a key point of discussion

- NZCCO's letter of 15 December 2020 proposed that a foreign ship should be chartered to operate a coastal shipping service. Other supply chain stakeholders have approached us independently with similar proposals.
- 9 There is scope to allow foreign vessels to be brought into New Zealand to perform coastal shipping services. However, this would require an application for authorisation to operate under section 198 of the Maritime Transport Act 1994, which prohibits foreign vessels from carrying coastal cargo in most circumstances.
  - 10 If an application for a foreign ship to carry coastal cargo were received, authorisation could be granted, but would be time-limited (in practice, immigration law limits the duration to a 28 days) and would need to meet a highly specific set of criteria to meet the requirements of section 198. A more detailed outline of the process is attached to this briefing as **Annex 3**.
  - 11 As you may recall, in December 2020 a section 198 authorisation was granted to ANL and CMA/CGM to bring a foreign ship with on-board cranes (the *MV Nefeli*) into New Zealand to carry coastal containerised cargo. However, this was never acted upon by ANL and CMA/CGM. It is possible that NZCCO are considering a similar arrangement.
  - 12 The Government Policy Statement on Land Transport 2021 (GPS) allocates up to \$15 million per year over the next three years for coastal shipping. Waka Kotahi are in the early stages of a work programme to operationalise this new activity class.

## Longer-term matters covered in NZCCO's manifesto

- 13 NZCCO's 2020 manifesto outlines its positions on various aspects of the freight system. The manifesto indicates that NZCCO broadly concurs with the Government's transport policy settings.

- 14 The key points of the manifesto, and the Ministry's comments on how they align with existing Government policy, are as follows:
- 14.1 Efficient cargo movement: NZCCO believes policies and investments that facilitate efficient freight movement should be prioritised. Improving Freight Connections is a strategic priority in GPS 2021.
  - 14.2 Mode neutrality: NZCCO supports the Government's mode-neutral approach to investment decision-making, as it encourages optimised freight solutions.
  - 14.3 Long-term planning: an integrated, long-term approach to infrastructure planning and investment should be taken, and NZCCO supports the creation of the New Zealand Infrastructure Commission as a step towards this.
  - 14.4 Freight corridors: port connectivity is essential to New Zealand's economic wellbeing, and the full freight corridor in and out of ports should be developed and managed to ensure efficient freight flows. This may form part of the Ministry's work programme for a national freight and supply chain strategy.
  - 14.5 POAL: NZCCO considers that POAL remaining at its current location is preferable from freight efficiency and resilience perspectives, and that any move should be carefully considered and extensively consulted upon. They believe the priority should instead be improving connections to the existing port. Further work on POAL and the port configuration of the Upper North Island will form part of the Ministry's national freight and supply chain strategy work.
  - 14.6 Coastal shipping: NZCCO supports coastal shipping for its congestion, emissions, and resilience benefits, and opposes any changes to New Zealand's existing cabotage policy.
  - 14.7 Rail: NZCCO's members use rail heavily and support increased investment in rail. However, NZCCO also has concerns about KiwiRail's accountability and ability to guarantee long-term level of service stability.
  - 14.8 Roading: Roads remain the main mode of transport for freight, and NZCCO support maintaining existing levels of road investment. They stress the importance of ensuring first- and last-mile connectivity, by investing in rural roads and port access.
  - 14.9 Regulatory settings: the RMA should be reformed, though NZCCO is concerned about the potential for consent processes to delay infrastructure investments.
  - 14.10 Border security: additional responsibilities being placed on Customs and the Ministry for Primary Industries as part of the COVID response should not impede their work to clear cargo crossing the border. These agencies have consistently advised us that freight is not being held up at the border as a direct result of COVID-related regulatory requirements.



## Biographies



**Jo Murray, Executive Officer, NZCCO (Saunders Unsworth)**

Jo is a partner at Saunders Unsworth, and has some 25 years experience as a public relations practitioner. She previously ran her own public relations consultancy in Marlborough, with clients ranging from iwi to local port and electricity supply companies.



**Simon Beale, Chair, NZCCO (T&G Global)**

Simon was elected Chair of NZCCO in September 2018, and is also Group Shipping Manager for T&G Global (originally Turners and Growers), one of New Zealand's largest produce grower and exporter organisations. Simon will be representing T&G and NZCCO at the Ministry-led supply chain congestion workshop being held in Auckland on 16 February.



**Joanne Wilson, Co-Deputy Chair, NZCCO (Silver Fern Farms)**

Joanne was elected a Co-Deputy Chair of NZCCO in 2019. She is understood to be a manager for the transport division of Silver Fern Farms, New Zealand's largest livestock processing and marketing company.



**Mike Knowles, NZCCO (Zespri)**

Mike was the previous Chair of NZCCO from 2013 to 2018, and has more than 25 years' experience in the kiwifruit industry. As Shipping Manager for Zespri since 2001, he is responsible for its global shipping function and strategy, managing its export operations to over 50 countries.



**Murray Horne, NZCCO (Oji Fibre Solutions)**

Murray was previously a Co-Deputy Chair of NZCCO, and is the General Manager of Lodestar, the logistics arm of Oji Fibre Solutions, the world's fifth-largest pulp and paper producer. Oji operates three mills at Kinleith, Kawerau, and Penrose, which supply domestic and international customers.

**Annex 1: Questions to NZCCO for your consideration**

**MEETING WITH NEW ZEALAND COUNCIL OF CARGO OWNERS**

- What impacts are your firms and NZCCO's members seeing as a result of the current congestion across New Zealand's containerised supply chain?
- What are the lessons learned from this congestion about the resilience of New Zealand's supply chains?
- Given the vulnerabilities the current crisis has shown, should we build more resilience into our supply chains?
- If so, would your members be willing to meet expected higher costs?
- From your perspective, how useful and desirable would it be for the Ministry to lead a freight and supply chain strategy?

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

UNCLASSIFIED

Annex 2: Letter of 15 December from Jo Murray, Executive Officer, NZCCO

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

UNCLASSIFIED

**Annex 3: Exemptions to section 198 of the Maritime Transport Act 1994**

*Foreign vessels can be chartered for coastal shipping services, but there is a strict process*

- 1 Under section 198(1) of the Maritime Transport Act 1994 (the MTA), coastal cargo may only be carried by:
  - 1.1 New Zealand ships
  - 1.2 Foreign ships on demise charter to a New Zealand-based operator
  - 1.3 Foreign ships transiting through New Zealand waters.
- 2 Section 198(2) of the MTA provides that the Minister of Transport may authorise the carrying of coastal cargo by ships other than those listed in section 198(1), if satisfied that there are no ships of those kinds available to carry the cargo. This authority was delegated to the Secretary of Transport in March 2003.
- 3 Chartering a foreign vessel for coastal shipping services, as NZCCO and others have suggested, would therefore require an application for authorisation under section 198(2).

- 4 [Redacted]
- 5 [Redacted]
- [Redacted]
- [Redacted]

Withheld under Section 9(2)(h) of the Official Information Act 1982

*Section 198 applications must provide detailed information*

- 5 [Redacted]
- 6 [Redacted]
- 5 [Redacted]

Withheld under Sections 9(2)(h) and 9(2)(g)(i) of the Official Information Act 1982

Withheld under Section 9(2)(g)(i) of the Official Information Act 1982

- 7 As you may recall, in December 2020 the Ministry processed and authorised an application from ANL and CMA CGM to charter *MV Nefeli*, a “geared” ship with its own cranes to load and unload containerised cargo, to conduct coastal shipping.

- 8 The proposal was for ANL and CMA CGM ships to unload imports at Napier Port instead of POAL, and use the *Nefeli* to relocate containers to and from Auckland. This would relieve congestion as it would not need to use the congested crane berthing spaces at POAL. It may be that NZCCO's proposal is a similar scenario.
- 9 In the case of *MV Nefeli*, ANL and CMA/CGM had identified a specific vessel, a defined route between Napier and Auckland, a sailing schedule (five journeys between 29 December and 28 January), and types of cargo (dry 20- and 40-foot containers, with some refrigerated containers and dangerous goods cargoes).
- 10 These details satisfied the Secretary of Transport that a section 198 authorisation could be given. ANL and CMA/CGM never acted upon this authorisation.
- 11 If NZCCO, or another shipping operator or customer, were to request an exemption for a vessel, we would expect its proposal to meet a similar degree of specificity to satisfy these information requirements.

*Stakeholder views are also relevant when considering section 198 applications*

- 12 As a matter of good practice, when considering section 198 authorisation applications the Ministry regularly consults with Maritime New Zealand (MNZ), the maritime unions (including the Maritime Union of New Zealand (MUNZ), the New Zealand Merchant Service Guild (NZMSG), and the International Transport Workers Federation), the Aviation and Marine Engineers Association (AMEA), and the New Zealand Shipping Federation.
- 13 In the case of the *Nefeli*, stakeholders offered various comments. The ITF, NZMSG, and the AMEA expressed their opposition, on the grounds that there were qualified New Zealand staff available to crew the vessel, and that the *Nefeli* did not have an ITF agreement in place around crew working conditions. MNZ also noted potential safety deficiencies with the ship.
- 14 MUNZ has also expressed its opposition in strong terms to previous authorisations, such as the authorisation granted to Heritage Expeditions in November 2020 to contract a Russian vessel, the *Professor Khromov*, to undertake domestic cruises.
- 15 These issues will likely remain relevant if similar authorisation applications are received in future. There is also the relationship with maritime unions and the domestic coastal shipping sector to be considered.

*Labour and immigration requirements may impose further constraints*

- 16 NZCCO's letter refers to "rules that require a New Zealand crew be used on dedicated New Zealand coastal services". The only relevant legislative requirement in section 198 of the MTA is that foreign ships on demise charter to New Zealand operators must use crew employed under New Zealand contracts.

17

Withheld under Section 9(2)(g)(i) of the Official Information Act 1982

18

Withheld under Section 9(2)(g)(i) of the Official Information Act 1982

[Redacted]

*The duration of a section 198 authorisation would be limited by the MTA and immigration law*

19 We also note that, while a section 198 authorisation permits a foreign vessel to operate coastal shipping services in to New Zealand, it does not exempt the operator from other immigration legislation regarding visas for foreign crew, nor the border restrictions in place as part of New Zealand's health response to the COVID-19 pandemic.

20

Withheld under Section 9(2)(h) of the Official Information Act 1982

[Redacted]

21 In addition, under immigration law, foreign crew are permitted to be in New Zealand waters for 28 days. In the case of the *Nefeli*, Immigration New Zealand (INZ) advised that, as long as ANL and CMA/CGM submitted applications for further visas for their foreign crew before the end of the initial 28-day visa, they would lawfully be in New Zealand until a decision on those applications were made.

22 In practice, this means that foreign crew vessel could remain in New Zealand waters for the initial 28-day period, plus the time it took to process a subsequent visa application. To operate a coastal shipping service using foreign vessel for longer than 28 days, the applicant would need to engage with INZ to meet visa requirements.

RELEASED UNDER THE OFFICIAL INFORMATION ACT



15 December 2020

Dear Minister Wood

I am writing on behalf of the New Zealand Council of Cargo Owners to register the Council's interest in assisting with solutions to the current congestion in the supply chain. The Council represents the shipping supply chain interests of many of the country's largest exporters and importers, spanning interests including horticulture, dairy, meat, steel, forestry, pulp and paper and FMCG. Collectively our members account for in excess of 70% of New Zealand's containerised exports as well as a significant amount of bulk export, imports and domestic volume.

Sea freight is critical to our members and represents over 99% of New Zealand imports and exports by volume. Auckland is our major import port and our second largest export port. Congestion at the Port of Auckland has implications for the wider New Zealand economy.

The Council is in regular contact with officials, ports and shipping lines on the current congestion issue and we recognise that there is no simple solution. The fact that shipping lines are using spare capacity at other ports is appreciated, but that places strain on our road network. In these circumstances any increase in capacity by Kiwirail from the Ports of Tauranga and Napier and Centreport in Wellington is strongly encouraged.

The chartering of a foreign vessel to run a coastal operation to help relieve congestion is also probably warranted. The Council would support a waiver from rules that require a New Zealand crew be used on dedicated New Zealand coastal services to allow the current congestion to be addressed.

Longer term, the current problems highlight the need to accelerate the completion of the third and fourth rail lines into Auckland, improve rail connectivity to Tauranga, and to improve road access into all our export ports. Coastal shipping services need to be encouraged by ensuring that road and rail policies are not favouring these modes over coastal shipping. NZCCO's position on these matters is presented in our 2020 manifesto; a copy of which was forwarded to your office upon your appointment as Minister. For convenience I attach another copy.

The Council very much looks forward to meeting with you in the New Year. I'll be in touch with your office at that time to find a time that suits however in the interim please don't hesitate to contact me directly should you wish to set a discussion with NZCCO members at an earlier date.

In the meantime, I wish you a safe and happy Christmas and a relaxing break ahead of what promises to be a very busy 2021.

Yours sincerely

Jo Murray, Executive Officer, NZ Council of Cargo Owners

Tel: [REDACTED] Withheld under Section  
9(2)(a) of the Official  
Information Act 1982

[www.nzcco.org.nz](http://www.nzcco.org.nz)



## NEW ZEALAND COUNCIL OF CARGO OWNERS 2020

### ADDRESSING THE BARRIERS TO EFFICIENT, RELIABLE AND COST-EFFECTIVE CARGO MOVEMENT

The NZ Council of Cargo Owners represents the shipping supply chain interests of many of the country's largest exporters and importers. Formerly known as the NZ Shippers' Council, NZCCO was formed in 1983 to be the national body representing large volume cargo owners.

The current membership includes companies and organisations with major interest in industries such as horticulture, dairy, meat, steel, forestry, FMCG, and pulp and paper; collectively accounting for in excess of 70% of New Zealand's containerised exports and a significant amount of bulk export, imports and domestic volume.

NZCCO affiliates include ports, freight forwarders, shipping lines and road transport and rail organisations.

Members share a common goal of efficient, reliable, cost-effective movement of cargo; domestically and internationally.

RELEASED UNDER THE OFFICIAL INFORMATION ACT



## **ADDRESSING THE BARRIERS TO EFFICIENT, RELIABLE AND COST-EFFECTIVE CARGO MOVEMENT**

The efficiency, reliability and cost-effectiveness of the shipping supply chain is critical for New Zealand. As an island nation, geographically distant from many of our key trading partners, and with a small domestic population, the economic growth and prosperity of New Zealand - and ultimately, wellbeing of all New Zealanders - depends on the performance of the supply chains that move our goods from end to end.

Whether inbound or outbound, the efficient, reliable and cost-effective movement of cargo reduces the cost of goods, increasing our competitiveness as a nation and facilitating trade. Facilitation of trade is critical to help New Zealand recover from the economic damage wrought by COVID-19.

### **Our key requirements of government:**

- Integrated, strategic planning and investment in public infrastructure that facilitates efficient movement of cargoes across the entire supply chain.
- Efficient, well-co-ordinated border management and assurance processes.
- A regulatory environment that facilitates fair, transparent commercial practices between supply chain participants.
- Representation in international maritime processes to protect and champion New Zealand's interests.

**NZCCO calls on the next New Zealand Government to prioritise policies and investment that facilitate efficient, reliable and cost-effective cargo movement.**

**We ask for robust engagement to support targeted and well-integrated planning for current and future needs. Cargo owners see things from the ground up and from end to end and so are uniquely positioned to advise on New Zealand's supply chain imperatives.**

**We seek a cargo-centric approach across government that informs decision making at all levels and ensures supply chain concerns are acted on in a cohesive and timely way.**

**We urge rapid completion of the FTA negotiations with the EU and UK and an expansion in CPTPP membership. We cannot allow the international rules-based system overseen by the WTO to fail.**

### INFRASTRUCTURE:

New Zealand's international competitiveness is threatened by inadequate infrastructure planning and poor investment decisions, with resultant cascading costs through the supply chain. Strategically located and well-connected freight and logistics infrastructure is critical: to support ongoing growth in cargoes, to ease congestion to help lift productivity and reduce emissions, and to provide necessary supply chain resilience.

It is important that infrastructure planning and investment takes a long-term view and is not subject to political whim. We therefore support the creation of the Infrastructure Commission as it signals a longer-term view for infrastructure planning and investment that is not constrained by three-year election cycles.

It is NZCCO's view that, in general, as long as new infrastructure developments are underpinned by a robust business case they will be a welcome addition to New Zealand's supply chain infrastructure.

### PORTS IN NEW ZEALAND

NZCCO members require ports that are reliable, accessible, competitive and efficient so that we can move our goods to market in a timely fashion. Development and management of the entire freight corridor in and out of ports is of critical importance. These economic considerations need to be front and centre in any discussion about the future of any New Zealand port. Any decision that ignores these considerations would be extremely detrimental for shippers, and ultimately the country.

Cargo owners and ports need to actively engage to eliminate waste in the supply chain to ensure NZ Inc. remains competitive and relevant, with a focus on reducing port congestion and providing the efficient flow of full and empty containers between New Zealand ports. Efficient loading and unloading of vessels that does not create delay is critical.

## **PROPOSED MOVE OF THE PORTS OF AUCKLAND TO NORTHLAND**

The Port of Auckland is critical infrastructure, not only for Auckland but for the entire country. Any decision to close the current port and move its operations elsewhere is a major decision that needs to be considered extremely carefully with appropriate stakeholder input. It is essential that a robust business case underpins any change or development.

The port plays a critical role in terms of both imports and exports. Its location in the centre of Auckland creates great efficiency gains – particularly for imports. In recent years numerous studies have been undertaken – all of which confirm this important role. It would be unwise to ignore the findings of those studies.

Decisions in respect of the future of the Port of Auckland affect the entire New Zealand freight supply chain. It follows that the focus of any Upper North Island ports study should be on what is best for NZ Inc. which, from the Council's perspective, means delivering the best option for cargo owners to move their cargoes in and out of the county as competitively as possible and at the lowest environmental cost. Cargo owners should be comprehensively consulted in this decision-making process.

NZCCO does not support moving the port to Northport nor does it support the creation of a new port at Manukau. An urgent investment focus should be improving access to the current port.

## **FREIGHT TRANSPORT INFRASTRUCTURE INVESTMENT**

Decisions on investment for freight transport should be mode neutral and based on what is the most efficient and competitive way to facilitate freight movement across the entire supply chain – the right mode in the right context

## **INTEGRATED TRANSPORT PLANNING**

Integrated transportation planning is crucial for the supply chain as all modes connect as a system and impacts to one have significant and immediate impacts on the others. Investment decisions need to be integrated to optimise and appropriately sequence spending so that they achieve the best outcomes given limited budgets.

## **IMPORTANCE OF MAINTAINING A QUALITY ROADING NETWORK**

NZCCO urges the government to continue to invest in quality roading that supports the efficient and safe movement of freight across the supply chain.

Roads remain the main mode of transportation for 90% of the freight volumes moving around the country. It is critically important that the Government continues to invest not only in new roads but also in the maintenance of existing roads to ensure they are fit for purpose and able to support resilience in the network. Rural roads in particular play a critical role given that most exports originate in rural areas. The adequacy of roads that provide access to the port network e.g. the Port of Tauranga, are also critical to support efficient cargo movement.

We look to the Government to ensure that there is continued investment in quality roading infrastructure across the total roading network.

## **COASTAL SHIPPING**

NZCCO would oppose any change to New Zealand's cabotage policy.

Coastal shipping supports a road network by creating an efficient and sustainable network that can reduce congestion, emissions and safety instances, and it provides an important source of resiliency to the transport system should a disruption occur.

## **RAIL**

Rail supports a road network by creating an efficient and sustainable network that can reduce congestion, emissions and safety instances.

NZCCO welcomes the increased investment in rail that we have seen under the current Government. Rail is a critical mode of transport for our members.

We support the Government's intent that rail in New Zealand should transport people and goods where they need to go, support productivity and business growth, reduce emissions, congestion, road deaths, and strengthen social and cultural connections between communities.

As KiwiRail is responsible for providing funded rail activities there is a need for additional measures to be put in place to ensure delivery against this objective; including providing greater accountability for the efficient operation of KiwiRail as a service provider.

As a State-Owned Enterprise with a commercial imperative, KiwiRail's current profit-related purpose can lead to outcomes misaligned with the Government's

intent. Currently, KiwiRail's model calls for each laneway to be commercially viable, which puts pressure on KiwiRail to price above non-rail alternatives or cease service on unprofitable laneways, without full consideration of wider social and economic benefits to New Zealand.

As a result, customers perceive rail prices and services as potentially unstable which discourages long-term commitments to using rail. We suggest that KiwiRail focus on serving its highest volume routes efficiently with long term, price stable agreements.

Pricing constructs should be long-term for all customers, thereby providing both certainty around pricing to customers and certainty around returns in infrastructure investments to the Government. The use of long-term, price-stable agreements would remove commercial tension between customers and KiwiRail and would allow both parties to focus on seeking efficiencies through collaboration.

## **NEED FOR RESOURCE MANAGEMENT REFORM**

Council welcomes the report of the Resource Management Review Panel and has taken careful note of the recommendations. We have argued for many years that the RMA needs fundamental reform. We recognise that goods must be moved with minimum impact on our environment and communities, and that this must be balanced with the need to develop supply chain infrastructure that is fit for purpose.

For example, as the international shipping fleet deploys increasingly bigger vessels the challenges of larger tonnages impact landside infrastructure (adequacy of roads, bridges, freight corridors), seaside (dredging, berth faces, moorings) and shoreside facilities to ensure physical volumes can be accommodated and cargo can flow. Time delays, expense and uncertainty of outcome delivered under the RMA undermine necessary infrastructure investment across all these pressure points and constrain supply chain efficiency.

We look forward to working closely with government on the response to the recommendation and the drafting of the consequential legislation to replace the RMA.

We support the fast track process that has just been passed into law as part of the COVID-19 response.

## **BORDER AND SECURITY SYSTEMS, ASSURANCE PROCESSES**

NZCCO enjoys a close relationship with NZ Customs and the Ministry for Primary Industries. These relationships are important to the Council. We work closely with these agencies on any changes that might be contemplated to the regime operating at the border.

## **BIOSECURITY**

Effective biosecurity management has never been as important as it is today. In the face of biosecurity risks becoming more challenging as trade volumes, passenger movements and climate change impacts increase, rigorous biosecurity measures are paramount for the long-term future of New Zealand's trade.

Whilst there is risk of significant disruption to the flow of goods and the costs to trade associated with safeguarding New Zealand from pests and disease, the cost to industry of contamination outweighs these burdens.

NZCCO is a signatory to the Biosecurity Business Pledge and has a representative on the Biosecurity 2025 Steering group.

## **CUSTOMS**

NZ Customs is a critical player in the economic security of the country. In an increasingly complex trade environment, efficient cargo movement requires modern systems that deliver certainty of process, predictability of outcomes and a trusted environment for trade.

We support the good work undertaken on behalf of NZ Inc. and urge continued investment in digital supply chain transformation technologies that are developing at pace globally e.g. blockchain.

Council is aware that Government has given NZ Customs additional responsibilities for managing the border amidst the COVID-19 challenges and note that we would not want such added responsibilities to be to the detriment of Customs' primary responsibilities.

NZCCO has been represented in NZ Customs reference groups and provided advice on the modernisation of the Customs Act.

## COMMERCIAL / REGULATORY ENVIRONMENT

Efficient, reliable, cost-effective movement of cargo is facilitated in an environment that strongly encourages all participants to operate in a truly commercial and competitive manner.

### SHIPPING LINES

NZCCO members require a range of shipping services that are sustainable and competitive. We require shipping lines to call into New Zealand with the required frequency, capacity and reliability that enables NZ Inc to effectively compete in global markets.

New Zealand is a long way from its key trading partners therefore reliable services to deliver freight in a timely manner are critical to the competitiveness of New Zealand.

In particular, the shipping lines need to actively engage with the shippers to ensure empty containers are available with the appropriate lead time for packing and vessel schedules are adhered to. Any changes or blank sailings need to be communicated in a timely fashion to enable the shippers to react to this.

### VSA's / BLOCK EXEMPTION

New Zealand's small share of world trade and its remoteness create vulnerability around levels of service from international shipping lines. The preservation of Vessel Sharing Arrangements (VSAs) are necessary to guarantee levels of service to and from countries like NZ at reasonable cost. VSA's must therefore be allowed to function efficiently within New Zealand's competition framework.

NZCCO supported the passage of the Commerce (Cartels and Other Matters) Amendment Bill subject to a block exemption for VSA's.

## INTERNATIONAL SHIPPING POLICY

New Zealand is nearly totally dependent upon international shipping for our exports and imports. The International Maritime Organisation (IMO) is responsible for regulation of this activity. We are pleased with much of the work done by New Zealand officials at the IMO. On the Verified Gross Mass (Container Weight Verification) issue there were two clear instances of New Zealand leading the world and creating great outcomes for New Zealand business. We note that the work of the IMO will become even more important for us in the future. An example of the new agenda is the treatment of international shipping in the climate change debate. The implications for New Zealand are arguably greater than for any other IMO member. It is time for New Zealand to consider upgrading its investment in the IMO by having a permanent presence at the IMO, based out of the NZ High Commission in London. We note that there is a permanent presence at the OECD, WTO and World Customs Organisation. The IMO is possibly more important to New Zealand trade in terms of actual activity and impact and should be treated the same as the other organisations.

### EMISSIONS | DECARBONISATION OF SHIPPING

NZCCO supports New Zealand's accession to MARPOL Annex VI: Prevention of Air Pollution from Ships. In our view New Zealand should have signed this international treaty without delay. The way the world views New Zealand is critical to our success in international trade. Our products must continue to be seen as being of the highest possible integrity.

Developments at a global level have significant impact at a local level. We recognise the potential for the MARPOL Annex VI treaty and future international climate change regulation applicable to the ocean freight industry to increase shipping costs for New Zealand's exporters and importers and to have a particularly adverse impact given our distance from markets.

Future IMO decisions are inevitable on issues such as the level of shipping emissions, the application of carbon charging for the industry and the speed at which ships travel. It is important that New Zealand is actively able to participate in and vote on policy recommendations. To do so we must have direct representation at the negotiating table.



16 February 2021

OC210038

**Hon Michael Wood**  
**Minister of Transport**

## MEETING WITH THE SEAFARERS WELFARE BOARD OF NEW ZEALAND

You are meeting with Morris van Voornveld, National Coordinator of the Seafarers Welfare Board of New Zealand (SWBNZ), who wants to update you on the challenges that crew on international vessels are facing, as well as on the work underway with funding received from the Ministry of Transport.

<b>Time and date</b>	3:30pm, 3 March 2021
<b>Venue</b>	Your office
<b>Attendees</b>	Morris van Voornveld, National Coordinator, SWBNZ

### Key points

- The current COVID-19 Public Health Response (Maritime Border) Order 2020 restricts seafarers' movements at ports to the vessels they arrive on, unless they have spent 14 days on that vessel from the last port of call, have not come into contact with any other person during that time, and everyone on the ship meets low risk indicators and have returned a negative COVID-19 test.
- Given the restrictions placed on seafarer's movement, the services provided by the SWBNZ are now taken to the ship rather than in the SWBNZ centres. This has considerably increased the costs of providing the port-based welfare services that visiting normally seafarers rely on.
- The Ministry of Transport, in August 2020, provided funding through the Essential Transport Connectivity Fund (ETC) to the SWBNZ to provide services to seafarers for an initial six month period. This was extended in February for a further two months to the end of March 2021. Subsequently, Cabinet agreed that funding from the ETC can be used to support the SWBNZ until 30 June 2021 (CBC-21-MIN-0021 refers).
- Cabinet has also agreed to amend the Maritime Transport Act 1994 (the Act) to enable maritime levies to be used to provide funding to the SWBNZ. The extension and the amendment of the Act will enable New Zealand to continue to meet its welfare obligations to seafarers under the Maritime Labour Convention.

**Contacts**

Name	Telephone	First contact
Tom Forster, Manager, Economic Regulation	[REDACTED]	✓
Abi Wyatt, Adviser, Economic Regulation	[REDACTED]	

Withheld under Section 9(2)(a) of the Official Information Act 1982

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

# MEETING WITH THE SEAFARERS WELFARE BOARD OF NEW ZEALAND

## Background

### *About the Seafarers Welfare Board of New Zealand (SWBNZ)*

- 1 The SWBNZ is a not-for-profit charity responsible for coordinating the promotion of seafarer welfare at New Zealand ports and is the country's designated welfare board under the Maritime Labour Convention [2006] (MLC).
- 2 The SWBNZ coordinates port-based welfare services that attend to the basic needs of visiting seafarers. This is done in consultation with and, support from, Maritime New Zealand and the Maritime Union of New Zealand. Services typically include:
  - internet access, international telephone services and phone cards (to help seafarers communicate with home)
  - money exchange and transport to shops and town
  - access to medical and dental treatment
  - personal counselling and spiritual welfare support
  - rest and recreation facilities (including operating on-port seafarer welfare centres).
- 3 As SWBNZ is a charitable body, support workers helping provide these services are either volunteers or part funded through donations or church support. These traditional sources of funding have been under pressure for some time prior to COVID-19 and has been exacerbated as a result of the restrictions placed on the movement of seafarers as a result of COVID-19.

### *The impact of COVID-19 restrictions on seafarers*

- 4 COVID-19 restrictions in place in New Zealand make it difficult for seafarers to leave their vessels when they are in port. Under the current COVID-19 Public Health Response (Maritime Border) Order 2020, crew can only take shore leave if they have been at sea for 14 days from departing the last port before sailing to New Zealand and have not been in contact with any other person during that time. All seafarers on board the ship are expected to meet low risk factors and return a negative test before seafarers wanting to take shore leave can be granted permission to leave the ship.
- 5 These restrictions are having a significant impact on seafarers' health and well-being. Traditionally, crew would have been repatriated and replaced by new crew after a period at sea. However, there are strict requirements around crew changes as well, which is resulting in crew working many months beyond expiration of contracts.
- 6 Given that seafarers are required to remain on board ships, their access to Wi-Fi and connection with family is limited, they cannot purchase essential items or access recreational facilities, nor independent and impartial mental health support provided by SWBNZ staff. These restrictions increase the mental distress and fatigue of seafarers, which in turn increase the likelihood of an accident occurring.

- 7 In this environment, the SWBNZ has to use alternative methods of providing welfare to seafarers and this has increased their workload significantly and it can no longer rely entirely on charitable donations to fund its services going forward.

### **SWBNZ funding agreement and extension**

- 8 On 5 August 2020, the Ministry entered into a funding agreement under the Essential Transport Connectivity (ETC) scheme with the SWBNZ for up to \$294,500 (from 5 August to 5 February 2021) to provide critical support services to seafarers. The funding agreement was subsequently extended for a further eight weeks (from 6 February to 2 April 2021) for a maximum of \$350,780 under the whole agreement.
- 9 Most recently, Cabinet agreed that \$150,000 from the ETC scheme be used to provide the required funding for seafarer welfare services to 30 June 2021 (CBC-21-MIN-0021 refers). This has raised the total maximum funding amount under the agreement from \$350,780 to \$500,780.
- 10 Cabinet also agreed that seafarer welfare services should be funded through maritime levies and agreed to make changes to the Maritime Transport Act 1994 (the Act) to enable this.
- 11 The amendments to the Act are being progressed through the Regulatory Systems Transport Amendment Bill which is expected to receive Royal Assent by 1 April 2021. This will enable seafarer welfare services to be funded through maritime levies from 1 July 2021.

### **What has been achieved with the funding to date?**

- 12 The SWBNZ has achieved the following with the initial funding:
- From September to November 2020, SWBNZ have visited and provided support services to seafarers on over 800 ships, which represents 94 percent of all ships that have entered New Zealand waters over this time period.
  - The SWBNZ has ensured that portable Wi-Fi units are made available for ships calling at New Zealand ports. Wi-Fi is now available in all ports and it has provided a Wi-Fi connection to 794 ships. Many of these seafarers have been at sea for several months without contact with their families and have no ability to contact them while in port without Wi-Fi.
  - There are now seven paid SWBNZ staff around the country (four full-time and three part-time). This includes a national co-ordinator role to ensure that services are being delivered consistently and within COVID-19 guidelines across the country.
  - SWBNZ staff have had 756 interactions with seafarers, and visited over 300 stores on seafarers' behalves to purchase essential items. These items include many essential personal items which seafarers may have had to go months without receiving (i.e. toothbrushes, new clothes, prescriptions for medicine, and supplies for their onward journey).

- Other support services, including meeting with seafarers to discuss any physical, mental and (non-denominational) spiritual needs, is done as best as it can be given the current restrictions. This has been on board for most seafarers during COVID-19 but 144 seafarers who qualify for shore leave have been able to use a seafarer welfare centre which is either on the port premises or off-site. This has allowed seafarers a safe place to access confidential advice in regards to any welfare difficulties they may be encountering, as well as an opportunity to take time away from the ship.
- The work that is being done by SWBNZ across the country is better recognised and acknowledged. This includes international recognition of the job New Zealand has done in supporting seafarers through the challenges of COVID-19.

*What are some of the challenges SWBNZ have faced?*

13 The SWBNZ has outlined some of the main challenges it has faced so far, including:

- Shifting the SWBNZ from a relatively informal association of three main organisations (Mission to Seafarers, Apostleship of the Seas and Sailors Society) and 11 port welfare centres to a more formal arrangement since funding commenced.
- Inconsistency in the way that port companies and District Health Boards put the Ministry of Health guidelines into practice. SWBNZ state that given New Zealand's small size and relatively small international shipping requirements, there should be more consistency on these guidelines between ports.
- Demand for SWBNZ services is gradually growing. Without funding it will be unable to continue what it is doing, as well as expanding into ports it does not currently cover.

#### Talking points

- You may wish to ask how the SWBNZ is tracking with its work generally.
- You may wish to ask what positive or negative feedback has been received from the ports, seafarers and others.
- You may also wish to ask where the SWBNZ sees itself heading in the future, given that it has moved from a largely volunteer-driven service to a more professional one.
- You may wish to let the SWBNZ know that ETC funding will be provided to the end of June 2021 and from 1 July 2021, funding will be provided through maritime levies as amendments are being made to the Maritime Transport Act to enable this.

## Biography



### **Morris van Voornveld, National Coordinator, SWBNZ**

Mr Voornveld was hired as the SWBNZ National Coordinator in mid-2020. He has a long history of working in the maritime industry, with experience in Operations Management, Freight, International Shipping, ISM Code and Ports.

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

23 February 2021

OC210123

Hon Michael Wood  
Minister of Transport

## MEETING WITH ROBERT COURTS MP, UK PARLIAMENTARY UNDER-SECRETARY OF STATE AT THE DEPARTMENT OF TRANSPORT

### Snapshot

Minister Courts requested a meeting with you to:

1. discuss how the UK and NZ can cooperate on international testing standards and vaccine certificates to help reopen international travel
2. brief you on the UK's plans for promoting sustainable aviation at COP26.

[REDACTED]

Withheld under section 6(b)(i) of the Official Information Act 1982

<b>Time and date</b>	7.45am, 25 February 2021
<b>Venue</b>	Via TEAMS
<b>Other Attendees</b>	<p><i>UK</i></p> <ul style="list-style-type: none"> <li>• Head of Office and Private Secretary to Robert Courts MP</li> </ul> <p><i>Officials</i></p> <ul style="list-style-type: none"> <li>• Deputy Director: International Aviation Travel</li> <li>• Senior Policy lead: Aviation Restart &amp; Recovery</li> <li>• Senior Policy lead: International Aviation</li> </ul> <p><i>NZ officials</i></p> <ul style="list-style-type: none"> <li>• Kirstie Hewlett, Deputy Chief Executive, Regulatory and Data</li> <li>• Melanee Beatson, Principal Adviser, Ministry of Transport</li> <li>• Joanna Pohatu, Principal Adviser, Ministry of Transport</li> <li>• Sarah MacIndoe, Senior Policy Adviser, New Zealand High Commission London</li> </ul>
<b>Agenda</b>	No agenda has been provided. We expect it to be a free-flowing discussion around the two topics proposed.

**Attachment**

FORMAL MESSAGE: COVID-19 VACCINES/BORDERS INTERSECT: INITIAL UK VIEWS ON VACCINE CERTIFICATION AND GLOBAL FRAMEWORKS FOR COVID-SAFE TRAVEL, London, 26 January 2021

**Contacts**

Name	Telephone	First contact
Bev Driscoll, Manager Regulatory Policy	[REDACTED]	✓
Ewan Delany, Manager, Environment, Emissions & Adaptation	[REDACTED]	
Joanna Pohatu, Principal Adviser, Environment, Emissions & Adaptation	[REDACTED]	
Melanee Beatson, Principal Adviser, Regulatory Policy	[REDACTED]	

Withheld under section 9(2)(a) of the Official Information Act 1982

RELEASED UNDER THE OFFICIAL INFORMATION ACT



## MEETING WITH ROBERT COURTS MP, UK PARLIAMENTARY UNDER-SECRETARY OF STATE AT THE DEPARTMENT OF TRANSPORT

### Key points

- We expect Minister Courts will be interested in a general overview from your ministerial perspective of New Zealand's Elimination Strategy; how the Government is managing the border; our current COVID-19 status, particularly following the most recent outbreak; and our vaccine roll-out.

#### *Traveller health passes/vaccine certificates and international travel*

- [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
Withheld under section 6(b)(i) of the Official Information Act 1982
- We recently provided advice to you on Government agency work on the concept of health certificates [OC210035 refers] and developing an "end-to-end" work programme. [REDACTED]  
[REDACTED]  
[REDACTED] Withheld under section 6(b)(i) of the Official Information Act 1982
- [REDACTED]  
[REDACTED]  
[REDACTED]  
Withheld under section 6(b)(i) of the Official Information Act 1982
- The International Civil Aviation Organization (ICAO) Council is likely to be a key focus for international standards. [REDACTED]  
[REDACTED] we are keen build our relationships in this area and welcome the opportunity to engage with the UK. Withheld under section 6(a) of the Official Information Act 1982

#### *UK preparations for the United Nations Climate Change Conference of Parties (COP26) climate discussions*

- We expect Minister Courts will give a general overview of the UK's preparations for the COP26 meeting that is being held in November 2021.
- The UK and New Zealand share ambition for sustainable aviation, which will be a focus of COP26 side discussions.

---

[REDACTED]

Withheld under section 6(b)(i) of the Official Information Act 1982

## Traveller health certificate/vaccine certificates and international travel

[REDACTED]

[REDACTED]

[REDACTED]

Withheld under section 6(a) of the Official Information Act 1982

1 Traveller health pass/vaccine certificates are set to become a core international focus in 2021, as vaccines are rolled out and countries seek to relax their border settings once the science shows that it is safe to do so.

2 By nature, these issues are – and future solutions will be – embedded in an international system. International standards and will be critical for Governments to have confidence in traveller information, as will the development of technical solutions that are globally interoperable. New Zealand will need to understand the standards being developed internationally, seek to influence where required, and ensure we can align with international standards and not be “left behind”.

3 [REDACTED]

Withheld under section 6(a) of the Official Information Act 1982

4 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Withheld under section 6(b)(i) of the Official Information Act 1982

5.1 “Keep it out” (Elimination Strategy)

5.2 Progressively open our borders, through letting in more people MIQ-free

- when the health science indicates it is safe to do so, and
- the Government is comfortable with the level of risk and associated health measures, and

- recognising that international connectivity remains fundamental to the economic and social wellbeing of New Zealanders and NZ's recovery

5.3 Enable people to travel from NZ to other jurisdictions. We expect traveller health passes to become an enduring legacy.

6 [Redacted] Agencies agree that relevant initiatives underway in the World Health Organization (WHO) and International Civil Aviation Organization (ICAO) should be our priority.

Withheld under section 6(a) of the Official Information Act 1982

7 [Redacted]

[Redacted]

[Redacted] Withheld under section 6(a) of the Official Information Act 1982

[Redacted]

[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

Withheld under sections 6(a) and 6(b)(i) of the Official Information Act 1982

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Withheld under sections 6(a) and 6(b)(i) of the Official Information Act 1982

10 [REDACTED]  
[REDACTED]  
[REDACTED] While New Zealand will be a technology “taker”, we need to understand how they would apply in our context, and how they interact with Government policy settings.

Withheld under section 6(a) of the Official Information Act 1982

11 Two digital industry based solutions that have gained attention are:

11.1 the International Air Transport Association’s (IATA) Travel Pass app, which is driven by airlines internationally. This week, Air New Zealand announced it would trial the Travel Pass app on its Auckland-Sydney route in April

[REDACTED]

Withheld under section 9(2)(g)(i) of the Official Information Act 1982

11.2 The CommonPass app by the Commons Project, a non-profit public trust backed by the World Economic Forum and RockeFeller Foundation.

**COP26**

Key objectives:

- Gain insights into how New Zealand could assist the UK with its preparations for COP26.
- Signal our interest in understanding how the Jet Zero Council (JZC) will influence investment, and research and development in the UK on sustainable aviation.

12 The Conference Of the Parties of the United Nations Framework for the Convention on Climate Change (UNFCCC) meets annually at the United Nations Climate Change Conference, also known as COP. The UK, in partnership with Italy, will host the

twenty-sixth session of the Conference of the Parties (COP26) in November 2021 in Glasgow.

- 13 COP26 [REDACTED] will mark the largest international event that the UK has hosted in the post-Brexit era.

Withheld under section 6(b)(i) of the Official Information Act 1982

14

[REDACTED]  
[REDACTED]  
[REDACTED] The UK is a member of the New Zealand co-led Carbon Neutrality Coalition<sup>2</sup>.

Withheld under section 6(b)(i) of the Official Information Act 1982

- 15 We understand the UK is planning a 'Transport Day' at COP26, which will include promoting sustainable aviation. New Zealand strongly supports actions to reduce aviation emissions.

*New Zealand supports efforts that the international aviation community is making to become more sustainable*

- 16 New Zealand supports global efforts to reduce emissions from international aviation. ICAO has taken steps to move the sector to be more sustainable. This includes implementation of the Carbon Offsetting Reduction Scheme for International Aviation (CORSIA) and the development of a long term sustainable goal (LTSG).

- 17 Aviation is important to New Zealand given our distance from markets. It supports our economic and tourism sectors, as well as enabling New Zealanders to explore the world.

*CORSIA is one of four measures the international aviation sector will use to address its emissions*

- 18 CORSIA commenced on 1 January 2021. It is one of four measures the international aviation sector is focusing on to address its emissions. The three other measures are sustainable aviation fuel (SAF), aircraft technology and operational improvements.

- 19 ICAO agreed to implement CORSIA to avoid States implementing a patchwork of requirements on the international aviation sector.

- 20 In 2016, both New Zealand and the UK agreed to participate in CORSIA from its commencement.

*A long term sustainable goal for international aviation is being developed by ICAO*

- 21 In 2019, the ICAO Assembly agreed to develop a LTSG for international aviation. The ICAO Committee on Aviation Environmental Protection is tasked with developing this.

- 22 A decision on the LTSG is to be made at the 41<sup>st</sup> ICAO Assembly in October 2022. It is anticipated that discussion of the LTSG will be contentious, given some States do not agree with the approach being taken by most ICAO Members.

---

<sup>2</sup> The Carbon Neutrality Coalition brings together a group of pioneering countries that have agreed to develop ambitious strategies to meet the long-term objectives of the Paris Agreement.

23 New Zealand and the UK both supported the ICAO decision to develop the LTSG.

*SAF will be essential to credibly reduce aviation emissions, domestically and internationally*

24 Efforts are being made by the aviation community to invest in and develop SAF, including in New Zealand.

25 The Ministry and the Ministry for Innovation, Business and Employment are currently working on a discussion paper for a biofuel mandate. This work includes discussion with ZEnergy and Air New Zealand on the SAF road map they developed with Scion and LanzaJet.

*New Zealand will accede to the International Maritime Organization (IMO) convention MARPOL Annex VI by late 2021*

26 Minister Courts' role covers both aviation and maritime. International maritime is not identified as a specific area of discussion for this meeting. However, we have included material on New Zealand's position and the work we are doing with the UK Department of Transport on maritime at Annex 1.

## Jet Zero Council

27 In 2020, the UK established the Jet Zero Council (JZC). The JZC is a partnership between industry and government to bring together ministers and chief executive office-level stakeholders to drive the ambitious delivery of new technologies and innovative ways to cut aviation emissions.

28 Minister Courts is a member of the JZC.

29 The JZC will focus on developing UK capabilities to deliver net zero-emission commercial flight by:

29.1 developing and industrialising zero-emission aviation and aerospace technologies

29.2 establishing UK production facilities for sustainable aviation fuels (SAF) and commercialising the industry by driving down production costs

29.3 developing a coordinated approach to the policy and regulatory framework needed to deliver net zero aviation by 2050

## Biography



Robert Courts was first elected to Parliament in October 2016, as the Conservative Party replacing David Cameron for Witney.

In September 2020, he was appointed Parliamentary Under-Secretary of State in the Department for Transport, with responsibility for aviation and maritime. Parliamentary Under-Secretary in the UK system is a Ministerial-level role, but the most junior of Ministers behind Secretary of State (Rt Hon Grant Shapps) and Minister of State.

Prior to his election to Parliament, Courts was a self-employed barrister focused on personal injury and clinical negligence. He was also elected a District Councillor in 2014.

**Connection to New Zealand:** In 2009, Robert was the winner of a Pegasus Scholarship to Wellington, New Zealand, where he worked for Crown Law.

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

## Annex 1: International Maritime and New Zealand's position

### MARPOL Annex VI

MARPOL Annex VI is the primary international regulatory mechanism for addressing the climate change impacts from shipping. It seeks to address the impact of shipping emissions on:

- human health and environments in and around port communities, by regulating emissions of harmful pollutants from ships; and
- climate change and ozone layer depletion, through both air quality regulations and energy efficiency measures.
- New Zealand is in the process of aligning domestic legislation and regulations to accede to MARPOL Annex VI by early 2022

- We are publicly consulting mid this year on how and when we implement some aspects of Annex VI [REDACTED]

Withheld under section 9(2)(f)(iv) of the Official Information Act 1982

- International maritime

- We are engaged with the UK and other high ambition countries through the Shipping High Ambition Coalition (SHAC). We are meeting every 2 weeks in preparation for the upcoming Marine Environment Protection Committee (MEPC) in June 2021.

[REDACTED]

Withheld under section 6(b)(i) of the Official Information Act 1982

RELEASED UNDER THE OFFICIAL INFORMATION ACT



24 February 2021

OC210107

**Hon Michael Wood**  
**Minister of Transport****Action required by:**  
Wednesday, 3 March 2021**CORRESPONDENCE FROM THE REGULATIONS REVIEW  
COMMITTEE REGARDING THE E-SCOOTERS (DECLARATION NOT  
TO BE MOTOR VEHICLES) NOTICE 2018****Purpose**

Seek your agreement to the attached response to the Regulations Review Committee regarding its inquiry into a complaint about the E-scooters (Declaration not to be motor vehicles) Notice 2018.

**Key points**

- On 21 December 2020, the Regulations Review Committee (the Committee) wrote to you on its inquiry into a March 2019 complaint about the E-scooters (Declaration not to be motor vehicles) Notice 2018 (the Notice).
- The Committee's role is to consider whether or not the Notice ought to be drawn to the special attention of the House on one or more of the grounds set out in Standing Orders.
- If the Committee brought the Notice to the attention of the House, it could lead to its disallowance, creating significant uncertainty over the legality of e-scooter use in New Zealand and could require a legislative response. The Committee's main concern is whether the Notice accords with the general objects and intentions of the Land Transport Act 1998, including whether it promotes safe road behaviour and vehicle safety.
- We consider that the Notice accords with the purpose of the power given by Parliament to Waka Kotahi under section 168A to make such declarations. In our view, the key issue is whether the Land Transport (Road User) Rule 2004 (the Road User Rule) contains effective regulatory requirements for the use of wheeled recreational devices, including e-scooters, on the footpath.
- The attached response letter outlines this to the Committee and also mentions the proposed changes through Accessible Streets to the Road User Rule. These are designed to manage the risks associated with new and emerging technologies that are (or might in the future) operate on the footpath for some, or all, of their journey (this includes e-scooters).

## The Notice clarifies that users of e-scooters may legally ride them on the footpath

1. In the Notice, which is made under section 168A of the Land Transport Act 1998<sup>1</sup>, Waka Kotahi NZ Transport Agency (Waka Kotahi) declares that an e-scooter is not a motor vehicle if all of the following apply:
  - the e-scooter is comprised primarily of a footboard, two or three wheels, and a long steering handle;
  - the e-scooter's wheels do not exceed 355mm in diameter;
  - the e-scooter has one or more electric auxiliary propulsion motors; and
  - the combined maximum power output of the electric auxiliary propulsion motors does not exceed 300 watts.
2. The main consequence of the Notice is to clarify that users of e-scooters may legally ride them on the footpath – the law essentially treats e-scooters as if they were not motorised. This means that, under the Road User Rule, e-scooters are treated the same as other wheeled recreational devices<sup>2</sup>, and are allowed on both footpaths and roads provided that:
  - when on the footpath, users of these devices must give way to pedestrians and mobility devices, must act in a careful and considerate manner, and must not operate at a speed that constitutes a hazard to other footpath users
  - when on the roadway, users must comply with the road rules, and must remain as near as is practicable to the edge of the roadway.
3. In using the Notice, Waka Kotahi is guided by its objective under section 94 of the Land Transport Management Act 2003, to 'undertake its functions in a way that contributes to an effective, efficient, and safe land transport system in the public interest'.
4. The Notice is consistent with the prior Power-assisted Cycles (Declaration Not to be Motor Vehicles) Notice 2013, which allows e-bikes to be treated the same as bicycles. This is a comparable use of the section 168A power by Waka Kotahi. In both instances, the Notice provides clarity on how e-scooters should be treated by users for the purposes of the Road User Rule, but also that a driver licence, motor vehicle registration and Warrant of Fitness are not required.

---

<sup>1</sup> This section was introduced through the Land Transport Amendment Act 2005 on the recommendation of the Transport and Industrial Relations Committee to 'clarify the licensing and driving requirements for increasingly popular low-speed vehicle technology'. This demonstrates that Parliament recognises there will be vehicles which involve motor propulsion which should be treated in the same category as the non-motorised versions.

<sup>2</sup> Wheeled recreational devices are currently defined as a device with wheels, propelled by human power, gravity or a small auxiliary motor with a maximum power output of up to 300 watts. They include push-scooters, skateboards, roller blades or skates and low-powered motorised versions of the same devices (like e-scooters).

## **The Committee is pursuing a complaint about Waka Kotahi's declaration that an e-scooter is not a motor vehicle**

5. The Committee first received the complaint during the last Parliament, and subsequently took oral and written evidence from the complainant and officials. The Committee's role is to consider whether or not the Notice ought to be drawn to the special attention of the House on one or more of the grounds set out in Standing Orders.
6. If the Committee were to bring the Notice to the attention of the House, that could lead to its disallowance. This would cause significant uncertainty over the legality of e-scooter use in New Zealand and could require a legislative response. The most relevant grounds here are whether the Notice accords with the general objects and intentions of the Land Transport Act 1998, including whether it promotes safe road behaviour and vehicle safety.

## **Officials have previously provided advice to the Committee on this issue**

7. We provided advice to the Committee in May 2019. Officials' advice to the Committee was that the Notice accords with the purpose of the power given by Parliament to Waka Kotahi under section 168A to make such declarations. In our view, the key issue is not whether e-scooters should be treated as if they are the same as other wheeled recreational devices – it is rather whether the Road User Rule contains effective regulatory requirements for the use of wheeled recreational devices, including e-scooters, on the footpath.
8. This was essentially the position that the former Associate Minister of Transport (Hon Julie Anne Genter) took in a letter to the Committee in July 2019, in which she outlined the scope of the Accessible Streets package. This package includes proposed rule changes to the Road User Rule designed to manage the risks associated with new and emerging technologies that are (or might in the future) operate on the footpath for some, or all, of their journey. This includes e-scooters.
9. The former Associate Minister of Transport offered to have officials brief the Committee on the package once it was out for public consultation. She also reported that she had requested advice from the Ministry of Transport on improvements that could be made to section 168A, and the appropriate legislative vehicle for such a change. She undertook to share that advice with the Committee once she had received it.
10. We briefed the Committee on the Accessible Streets package in July 2020. At that time, the Committee did not raise any specific concerns with the proposals, but were interested in understanding the process to bring additional powered transport devices within the new proposed regulatory framework.
11. Later in July 2020, the former Associate Minister of Transport received a letter from the Committee outlining the same concerns as those raised in the Committee's letter to you. We understand that the Associate Minister of Transport did not respond to this letter.

**Your proposed response highlights previous advice the Committee has received on this issue**

- 12. Your response to the Committee provides an update on Accessible Streets. It explains that during public consultation on the package submitters were asked about the process Waka Kotahi should follow to make a declaration under section 168A of the Land Transport Act 1998, and whether tighter restrictions are required (for example, a consideration of certain factors or thresholds, and additional powers to impose conditions on all devices).
- 13. Given the Committee has changed membership recently, your response summarises the key aspects of advice given to the Committee to date.
- 14. Your response also notes that once you have received further advice from officials on the Accessible Streets proposals and Cabinet has made necessary decisions, officials can brief the Committee on the outcomes of decisions, including in relation to section 168A.

**Recommendations**

We recommend you:

- 1 **agree** to sign the attached response to the Regulations Review Committee. Yes / No



Helen White  
**Manager, Mobility and Safety**

...25.. / 02.. / 2021.....

Hon Michael Wood  
**Minister of Transport**

..... / ..... / .....

- Minister's office to complete:**
- Approved  Declined
  - Seen by Minister  Not seen by Minister
  - Overtaken by events

**Comments**

**Contacts**

Name	Telephone	First contact
Helen White, Manager, Mobility and Safety		✓
Seb Brown, Adviser, Mobility and Safety		

Withheld under 9(2)a of the Official Information Act 1982

Appendix 1: Response to the Regulations Review Committee

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

3 March 2021

Chris Penk  
Chairperson  
Regulations Review Committee

Dear Mr Penk

Thank you for your letter of 21 December 2020 regarding the Complaints about E-scooters (Declaration Not to be Motor Vehicles) Notice 2018 (the Notice).

You have asked for an update from officials when changes are made following consultation on the *Accessible Streets* package, together with an update on any proposals to change section 168A of the Land Transport Act 1998.

Ministry of Transport officials provided advice to the Regulations Review Committee in May 2019. Officials' advice was that the Notice accords with the purpose of the power given by Parliament to Waka Kotahi NZ Transport Agency (Waka Kotahi) under section 168A to make such declarations. Officials' view was that the key issue is not whether e-scooters should be treated as if they are the same as other wheeled recreational devices – it is rather whether the Land Transport (Road User) Rule 2004 contains effective regulatory requirements for the use of wheeled recreational devices, including e-scooters, on the footpath.

The former Associate Minister of Transport, Julie Anne Genter, wrote to the Committee on 17 July 2019 supporting this position and outlining her view that:

- Waka Kotahi's decision was consistent with the section 168A power to issue a notice, which was directly conferred on Waka Kotahi by Parliament. Former Associate Minister Genter noted that the Transport and Infrastructure Select Committee, in reporting back to the House on the Land Transport Amendment Bill 2004 (which contained section 168A), explicitly identified e-scooters as a vehicle that could be the subject of a declaration by Waka Kotahi.
- Waka Kotahi's decision was also taken in light of the existing land transport rules that applied to these devices (outlined in Appendix C of Waka Kotahi's written response to the Regulations Review Committee) and the extensive rule-making powers in the Land Transport Act 1988. Former Associate Minister Genter noted these rule-making powers include the ability to make rules regulating the use of e-scooters on footpaths, cycle ways and roadways, and to regulate their physical characteristics, such as lighting requirements, and could include a requirement that e-scooters have speed or power limiters.

Former Associate Minister Genter stated she shared the Committee's view that New Zealanders should feel safe – and be safe – when using our footpaths, noting this was why she was leading the development of *Accessible Streets*, which aims to improve the safety and accessibility of our footpaths for all types of footpath users.

My view on this issue is consistent with officials' previous advice and the position outlined in Former Associate Minister Genter's letter of 17 July 2019.

I also note that in July 2020, when officials briefed the Committee under the last Parliament on the proposals in the *Accessible Streets* package, the Committee did not raise any specific concerns with the proposals, but were interested in understanding the process to bring additional powered transport devices within the new proposed regulatory framework.

To recap, public consultation on the *Accessible Streets* proposals took place between March and May 2020. During public consultation, submitters were asked about the process Waka Kotahi should take to make a declaration under section 168A of the Land Transport Act, and whether tighter restrictions are required (for example, a consideration of certain factors or thresholds, and additional powers to impose conditions on all devices). Waka Kotahi has since completed the analysis of submissions and is in the process of undertaking targeted engagement with key stakeholders on the proposals, including with the disability sector.

Ministry of Transport officials are in the process of preparing advice to me on the outcomes of consultation and engagement, and potential changes to the *Accessible Streets* package. I expect to receive this advice in due course. Once I have considered this advice, and necessary Cabinet decisions have been made, officials can brief the Regulations Review Committee on the outcomes of decisions, including in relation to section 168A.

Yours sincerely

Hon Michael Wood  
**Minister of Transport**

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT