



## COVERSHEET

<b>Minister</b>	Hon Barbara Edmonds	<b>Portfolio</b>	Economic Development
<b>Title of Cabinet paper</b>	Space Policy Review: National Space Policy	<b>Date to be published</b>	31 May 2023

<b>List of documents that have been proactively released</b>		
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### **Information redacted**

**YES / NO [select one]**

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## **[In Confidence]**

Office of the Minister for Economic Development

Cabinet Economic Development Committee

## **Space Policy Review: National Space Policy**

### **Proposal**

- 1 The purpose of this paper is to:
  - 1.1 Seek Cabinet's agreement for the Minister for Economic Development to release the National Space Policy (the Policy) at Appendix One, in Quarter 2 of 2023;
  - 1.2 Note the Space Policy Review public consultation process and feedback which has informed the development of the Policy;
  - 1.3 Note that specific consultation feedback will continue to be progressed through separate workstreams and engagements.

### **Issue Identification**

- 2 There is a growing public interest in space – how it works, how it is regulated, and how space activities align with our values. This brings with it a need to ensure that New Zealand's space activities and engagements reflect – and are seen to reflect – our values; that the benefits of space are understood and accessible, and that perceived or actual risks of space activities are managed in line with public expectations, New Zealand's legal obligations, and best practice.

### **Executive Summary**

- 3 Cabinet's agreement is sought to release the Policy at Appendix One: the key product of the Space Policy Review. The purpose of the Policy is to enable greater policy cohesion across multiple space-related government workstreams and effectively communicate the government's approach to space to both domestic and international stakeholders.
- 4 This is the first time a policy document has articulated the government's values and objectives on space and is an important step in New Zealand's journey as a space-faring nation.
- 5 Amendments have been made to the government's initially articulated values and objectives based on: feedback which strengthened the supported values and objectives; consistency of language with other relevant policy and strategy workstreams; and reflecting the purpose of the Policy as a tool for officials.
- 6 Separate workstreams will progress the implementation of the Policy and clarification of the application of the values and objectives – including regarding the peaceful uses of space, Māori interests in space, environmental protection, considering independent advisory functions, and ongoing public communications.

## Background

- 7 New Zealand's involvement in space has grown markedly since the decision by Rocket Lab to launch their small orbital rockets from New Zealand, and the subsequent creation of the New Zealand Space Agency to support the passage, and implementation of, the Outer Space and High-altitude Activities Act 2017.
- 8 A 2019 report produced by Deloitte found the New Zealand space sector contributed \$1.69 billion to our national economy in 2018-19 and supported 12,000 jobs. Due to New Zealand's increasing role across the space value chain (from manufacturing through to end use of space data), officials anticipate these economic benefits will continue to grow.
- 9 The purpose of the Space Policy Review was to test a range of space values and policy objectives with the New Zealand public with the objectives of: maintaining public support of space activities in New Zealand, ensuring cohesion of values and policy objectives across multiple government workstreams and ensuring domestic and international stakeholders understand our approach to space.
- 10 The following outlines the Space Policy Review consultation process and feedback which has informed the high-level Policy at Appendix One – a document which outlines New Zealand's values and objectives on space.

## Space Policy Review public consultation

- 11 Following Cabinet's agreement to release the Space Policy Review public consultation document [CAB-22-MIN-0338], Ministry of Business, Innovation and Employment (MBIE) officials led a public consultation which ran for eight weeks from 5 September 2022 until 31 October 2022.
- 12 The consultation tested the public's level of agreement or disagreement with the values and objectives underpinning New Zealand's space policies. Engagements during the consultation period included:
  - 12.1 *Five public consultation meetings:* In-person and online engagement meetings (with notably low attendance throughout all) occurred between 7 – 20 October. This included public meetings held in Mahia, Auckland, Christchurch, Wellington and online.
  - 12.2 *Targeted engagements throughout the consultation period:* MBIE officials engaged with Māori, the space sector, disarmament community, industry and academics; including with the Public Advisory Committee on Disarmament and Arms Control, members of the disarmament community, as well as at Kaiuku Marae in Mahia.

## Independent Summary of Feedback report

- 13 MBIE commissioned PublicVoice to collate all feedback received through the consultation and produce a Summary of Feedback report (the report); this summarised all 183

submissions that were received as well as feedback provided in public and targeted meetings.

- 14 The report demonstrated that the majority of submissions to the Space Policy Review public consultation agreed with each of the values and objectives on space that were outlined in the consultation document. Despite this overall support, there were varying levels of agreement through the objectives in particular:
  - 14.1 *Clear support for high-level values:* There were high levels of agreement for the values (innovation, responsibility, stewardship, partnership) outlined in the consultation document, garnering agreement from at least 80% of submissions for each of the values:
  - 14.2 *Objectives that received highest levels of majority agreement:* The highest levels of agreement for objectives related to stewardship of the environment and responsible international advocacy and engagements, including:
    - 14.2.1 Assessing the cumulative impact of space activities on the Earth environment (89%)
    - 14.2.2 Assisting with solving sustainability challenges through space data, including to better monitor or understand the Earth's environment (89%)
    - 14.2.3 Advocating for effective international rules, norms and standards in space (88%)
    - 14.2.4 Partnering with like-minded launch states to adopt peaceful, responsible and sustainable space practices (84%)
  - 14.3 *Objectives that received lower levels of majority agreement:* The lowest levels of agreement (indicated by the percentages between 50% and 70%) were those tied to objectives focused on national security and payload permitting, including:
    - 14.3.1 Collaboration with international space and security partners to pursue New Zealand's national security and economic interests (56%)
    - 14.3.2 Using space assets to protect and advance New Zealand's national security and economic interests (57%)
    - 14.3.3 Managing the broad range of security risks in space to protect New Zealand's space industry (62%)
    - 14.3.4 Promoting and protecting New Zealand's interests through permitting space technologies (69%)
  - 14.4 All other values and objectives received agreement from 70% or above of submissions.
- 15 In addition, the frequency of high-level themes which had come through submissions were referenced in the report (including regarding the peaceful uses of space, Māori interests in space and environmental concerns).

## **Analysis**

- 16 The following sets out the approach taken by officials when assessing key changes to the values and objectives, including: alignment with the values and objectives that received majority support, consistency of language with other policy workstreams, and reflecting the purpose of the Policy.
- 17 The key changes between the values and objectives in the Space Policy Review consultation document are outlined below the explanation of each approach.

### **Alignment with the values and objectives that had received majority support**

- 18 *Approach by officials:* As there was majority support for all of the values and objectives outlined in the Space Policy Review consultation document – the existing language was used as a starting point for the Policy. Specific feedback regarding amendments were considered, to the extent they better expressed the intent behind the values and objectives.
- 19 *Key changes made to the Policy:* The following broad feedback from submitters has been reflected in the Policy, consistent with the support received for the values and objectives:
  - 19.1 Highlighting that all space policies must be consistent with international obligations, domestic laws and Te Tiriti o Waitangi. This replaces the prior reference to the values being informed by kaitiakitanga, as some submitters felt this was being misappropriated.
  - 19.2 Incorporating transparency and communication to highlight the importance of more information being provided to the public on the government’s space functions, policies, processes, and engagements; as well as the benefits of space technologies to improve the wellbeing of New Zealanders.
  - 19.3 Referencing developing and investing in end-to-end New Zealand space capabilities across the space value chain to progress the objectives within the Policy.
  - 19.4 Incorporating leadership on sustainable and responsible space practices internationally.
  - 19.5 Incorporating that the peaceful use of space requires working proactively to prevent the weaponisation of space, and that we advocate for a space environment that is peaceful, sustainable, safe and secure.
  - 19.6 Collaborating with domestic as well as international space and security partners to enhance New Zealand’s space capabilities and knowledge.

### **Consistency of language with other relevant policy and strategy workstreams**

- 20 *Approach by officials:* There are a range of workstreams across government which are applicable to the implementation of the Policy. From specific comments received on the objectives on the national security and regulatory sections in particular – it was clear that some submitters saw space as a standalone policy area, rather than one deeply integrated with existing policies across government. As a result, further references to the connection with policies across government have been incorporated.

- 21 *Key changes made to the Policy:* The values and objectives have been amended to reflect further alignment with the following workstreams across government:
- 21.1 The Aotearoa New Zealand Aerospace Strategy pillars that were consulted with the public in September – October 2022. These include: unlocking space potential by fostering collaboration and creating new opportunities; providing an enabling environment for space activities to occur that is balanced with fit-for-purpose regulations; and demonstrating the relevance of the sector and benefits of space technologies.
  - 21.2 National security policies and interests – as expressed in the draft National Security Strategy, draft Defence Policy and Strategy Statement, and overview of Defence’s interests and engagements in space (currently on the New Zealand Defence Force website.) These are led by the Department of the Prime Minister and Cabinet and the Ministry of Defence and New Zealand Defence Force respectively. They capture the instrumental role of space in enhancing our own military capabilities and supporting our broader national security interests.

### **Reflecting the purpose of the National Space Policy**

- 22 *Approach by officials:* There are different purposes between the Space Policy Review consultation document and the Policy; the former was directed solely toward the New Zealand public and looked at how the values and objectives had been implemented to date.
- 23 *Key changes made to the Policy:* The Policy has been drafted in a concise way to be an accessible guide for officials to use in the development of space policies and in external engagements.
- 24 *Supplementary information provided for the public:* A large amount of submitter feedback did not focus on amendments to the values and objectives themselves, but how particular space policies should be implemented or clarified. Supplementary information for the public will be placed on the MBIE website; this will be a living resource which shows how the Policy values and objectives are being implemented.

### **Implementation**

- 25 This section notes key areas of feedback from the consultation which will require a prioritised multi-agency response with key stakeholders and provides:
- 25.1 A high-level overview of submitter feedback on key areas (including clarifying national interest regulatory processes, environmental concerns, engagement with Māori, establishing an independent advisory function, and public communications);
  - 25.2 How the feedback is reflected in the proposed Policy, as applicable;
  - 25.3 Separate workstreams, driven by officials across government, to address the key areas.
- 26 As a result of this prioritisation, there are timing implications for considering regulatory and legislative amendments related to the Outer Space and High-altitude Activities Act 2017.

## Clarifying national interest regulatory processes

- 27 *Feedback from submitters:* Some submitters suggested that permitting any payloads with national security applications would be a breach of New Zealand’s international obligations, domestic laws and policies and Te Tiriti o Waitangi and therefore against New Zealand’s national interests. Further clarification has been sought as to what is – and is not - in New Zealand’s national interests; with some suggestions to ban the launch of “military payloads” (hereafter referred to as “payloads with national security applications”) and foreign military associations, or “weapons systems” altogether.
- 28 *Outright ban of payloads with national security applications is inconsistent with New Zealand’s national interests:* I propose – based on advice I have received from officials – that Cabinet agree that there will be no blanket ban on permitting payloads with national security applications under the Outer Space and High-altitude Activities Act 2017. A ban on such payloads would preclude considering New Zealand’s interests (e.g. our defence and security, foreign affairs, economic and other interests) at the time of assessing permit applications. I intend for all payloads to continue to be assessed on a case-by-case basis.
- 29 New Zealand has already launched payloads with national security applications, none of which have been assessed to be inconsistent with our national interests. Any payload which is inconsistent with our domestic laws and policies, as well as our international obligations, will not be progressed.
- 30 *Inclusion within the Policy:* The Policy references how New Zealand’s broad interests are consistent and enduring (including economic, national security, safe and secure regulation, international and environmental interests). It also states that broad national interest language, when assessing the proposed operation of payloads, is required to respond to changing domestic and international circumstances and ensure New Zealand interests can be considered as applicable at the time. I therefore propose that payload permit applications – including those with national security applications - continue to be assessed on a case-by-case basis.
- 31 Additional disarmament policies and objectives have *not* been included within the Policy – as they are already encapsulated by:
- 31.1 References to how all space policies must be consistent with New Zealand’s international obligations, domestic laws and policies, Te Tiriti o Waitangi and national interests in the Policy; and
- 31.2 The objectives in the Policy, including responsibility to promote a peaceful, sustainable, safe and secure space environment, and clarifying what New Zealand space activities are inconsistent with New Zealand’s national interest.

- 32 *Separate workstreams:* I propose that a policy process, and ongoing public communications, be undertaken by officials across government:
- 32.1 Officials will commence a national interest workstream which implements the Policy's objective of “clarifying what space activities are inconsistent with New Zealand’s national interest”. The workstream will consider amendments to the existing national interest risk review process in light of the values and objectives from the Policy and feedback from the consultation.
- 32.2 Officials will also provide further information on regulatory processes on the MBIE website – including for considering national interests, and engagement with Māori.

### **Gathering information to address environmental concerns**

- 33 *Feedback from submitters:* Concerns were expressed by some submitters that the space industry was not adhering to New Zealand’s climate change commitments and sought environmental monitoring to understand the effect of space launches on the environment. Various suggestions were provided on how the monitoring should be carried out, including requirements for the sector.
- 34 *Inclusion within the Policy:* The value of stewardship, as well the environmental objectives within the Policy (all of which received the highest levels of agreement from the public consultation), demonstrate the government’s commitment to sustainability both in space and on Earth.
- 35 *Separate workstream:* Officials will gather environmental data and undertake further research to assess the impact of space activities from New Zealand, to then inform any policy considerations. This includes assessing existing and future environmental reporting from Rocket Lab and any other sources.

### **Ongoing engagement with Māori**

- 36 *Feedback from submitters:* Submitters raised the need to acknowledge the Treaty of Waitangi with respect to space, mātauranga Māori, and consideration of how kaitiakitanga (guardianship of space) can translate to implementation of space activities and engagements. A range of comments also focused on engagement with the Mahia community.
- 37 *Inclusion within the Policy:* The Policy references, under the Partnership principle, that the government will engage with Māori on New Zealand’s space activities and engagement. It is also notes that the government will engage mātauranga Māori expertise, including to inform space policies and sector development initiatives. Inclusive collaborations which work toward sustainable outcomes, alongside Māori, are also encouraged.
- 38 *Separate workstreams:* Officials will prioritise gathering further information about Māori interests in space, as well as providing specific engagement with the Mahia community:



- 38.1 A landscape report on current Māori participation in, and perspectives on, the space sector will be commissioned and will establish a baseline understanding to then assess further opportunities for Māori in the sector.
- 38.2 During the public consultation process, MBIE reiterated the government's intent to engage with the Mahia community on an ongoing basis. In the first instance, this will be to address concerns raised during the public consultation, including with regard to the local environment.

### **Considering role of independent advisory function**

- 39 *Feedback from submitters:* A range of expert advisory roles were suggested by submitters, related to a range of different audiences and purposes; including having a Ministerial Space Advisory Group, a sector-focused group focused on promotion of space to New Zealanders, a Māori Space Advisory Group, and expert advisors sitting within the New Zealand Space Agency.
- 40 *Separate workstream:* Officials will consider the role of expert advice and assess whether these – or any other - mechanisms support better space policy workstreams and engagements across government. Officials will report back to me with their advice by the end of March.

### **Ongoing public communications**

- 41 *Feedback from submitters:* Some submitters sought more proactive communications on space from the government.
- 42 *Separate workstreams:* Opportunities will be explored across government to communicate New Zealand's role in space and the benefits of space for New Zealand and officials will report back to me with options to increase communication with the public on space.
- 43 In the first instance, the MBIE website will be a living resource that provides supplementary information on how the Policy is being implemented; demonstrating key space policy functions, processes and engagements across government. MBIE will update their website periodically to:
- 43.1 Emphasise the purpose of the Policy and signal separate workstreams and engagements which are being progressed in support of its values and objectives;
  - 43.2 Provide further information on the roles and responsibilities of New Zealand government agencies on space, including referencing their key space-related workstreams, partnerships and engagements;
  - 43.3 Demonstrate the benefits of the uses of space to New Zealand, including how space activities and engagements reflect the values and objectives in the Policy;
  - 43.4 Release further information on regulatory processes (especially with regard to the permitting of payloads from New Zealand).

- 43.5 Reiterate why flexible language is necessary in policies (including in relation to national interest considerations)- to ensure they can be applied across government to particular situations that may arise.
- 43.6 Establish, and update as needed on an ongoing basis, an accessible repository for New Zealand’s existing space policies;
- 43.7 Provide links to cross-government opportunities (including funding, educational and engagement opportunities) relating to space.

### **Implications for amending the Outer Space and High-altitude Activities Act 2017**

- 44 I previously noted to Cabinet [CAB-22-MIN-0338] that – if the Space Policy Review consultation raised issues of relevance to the Outer Space and High-altitude Activities Act 2017 (“the Act”) – any proposed changes would be integrated into work on an amendment bill, together with workstreams arising from the statutory review of the Act.
- 45 Amendments to the Act were suggested by some submitters through this consultation, with the majority of these reflecting similar concerns to the above; including on payload permitting processes, environmental monitoring, engagement with Māori and updating the Act to reflect broader disarmament interests.
- 46 The above workstreams, to the extent they relate to policy processes, will need to be completed first before regulatory or legislative amendments can be considered.

### **Financial Implications**

- 47 There are no direct financial implications from the Policy. The prioritised workstreams as signalled in paras 25 – 46 will be met within MBIE departmental baselines for 2022/23 and 2023/24.

### **Legislative Implications**

- 48 There are no legislative implications from this paper.

### **Human Rights**

- 49 This paper has no inconsistencies with the New Zealand Bill of Rights Act 1990 nor the Human Rights Act 1993.

### **Consultation**

- 50 This paper has been consulted with; Te Manatū Waka Ministry of Transport; Ministry of Foreign Affairs and Trade; Te Arawhiti: Office for Māori Crown Relations; Te Puni Kōkiri; Government Communications Security Bureau; New Zealand Security Intelligence Service; Ministry of Defence; New Zealand Defence Force; Department of the Prime Minister and Cabinet; Ministry for the Environment; Ministry for Primary Industries; Toitū Te Whenua Land Information New Zealand.

## **Communications**

51 I intend for the National Space Policy to be published within Quarter 2 of 2023.

## **Proactive Release**

52 I intend to release this paper, withholding sections consistent with the Official Information Act 1982, within 30 business days of decisions being confirmed by Cabinet.

## **Recommendations**

The Minister for Economic Development recommends that the Cabinet Economic Development Committee

- 1 Agree that the National Space Policy at Appendix One be finalised for release in Quarter 2 of 2023, including any technical amendments, by the Minister for Economic Development.
- 2 Note that the feedback from the Space Policy Review public consultation was used to inform the development of the National Space Policy.
- 3 Note that the Ministry of Business, Innovation and Employment website will provide ongoing supplementary information to the National Space Policy.
- 4 Note that separate workstreams will be prioritised to address consultation feedback on national interest regulatory processes, environmental protection, engagement with Māori, considering independent advisory functions, and providing ongoing public communications on space.
- 5 Agree that there will be no blanket ban on permitting payloads with national security applications under the Outer Space and High-altitude Activities Act 2017.
- 6 Note that national interest considerations, with respect to payload permitting under the Outer Space and High-altitude Activities Act 2017, will continue to be considered on a case-by-case basis.
- 7 Note that officials will commence a workstream that implements the National Space Policy objective of “clarifying what space activities are inconsistent with New Zealand’s national interest” – including through applying the National Space Policy values and objectives to existing regulatory processes.
- 8 Note that the timing for regulatory amendments or legislative amendments to the Outer Space and High-altitude Activities Act 2017 are contingent on the completion of policy workstreams arising from Space Policy Review feedback.

Authorised for lodgement

Hon Stuart Nash

Minister for Economic Development

**Appendix One: Proposed National Space Policy**