



BRIEFING

Active Investor Plus Visa implementation decisions

Date:	1 December 2022	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2223-1440

Action sought		
	Action sought	Deadline
Hon Stuart Nash Minister for Economic and Regional Development	Agree to recommendations a – q	5 December 2022
Hon Michael Wood Minister of Immigration	Agree to all the recommendations in this paper	5 December 2022
Hon Dr Ayesha Verrall Minister of Research, Science and Innovation	Agree to recommendations a - q	5 December 2022

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Landon McMillan	Manager, Investment Policy	s9(2)(a) s9(2)(a)	✓
Kirsty Hutchison	Manager, Immigration (Border and Funding) Policy	s9(2)(a)	
Dr Jess Robertson	Manager, Innovation Policy	s9(2)(a)	
Debbie Te Awhe	Acting General Manager, Enablement, INZ	s9(2)(a)	

The following departments/agencies have been consulted
New Zealand Trade & Enterprise

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments

BRIEFING

Active Investor Plus Visa implementation decisions

Date:	1 December 2022	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2223-1440

Purpose

To seek your agreement to further decisions relating to the implementation of the Active Investor Plus visa and provide you with an overview of the plan for the 12-month implementation review.

Executive Summary

The new Active Investor Plus (AIP) visa targets skilled and experienced investors making more active and upfront investments into New Zealand firms. This is a shift from previous investor categories, which permitted investment in lower risk and more passive asset classes.

You are receiving this briefing in your capacity as ministers with delegated authority to approve the criteria for acceptable investments for the purposes of the AIP. In the course of implementing the new visa, we have identified the need to clarify the following technical criteria for acceptable investments:

- expanding the current definition of acceptable managed funds to include venture capital and private equity fund managers that are not required to be licensed by the Financial Markets Authority
- broadening the definition of “New Zealand Connection” to a wider set of sectors in the requirement that managed funds “substantially invest in entities with a ‘New Zealand Connection” to ensure it does not inadvertently exclude some managed funds
- clarifying that the general principle that an acceptable investment is determined at the time an investment is made also applies to rules around real estate in listed equities and the New Zealand connection and investing in managed funds, and
- enabling investors to make a direct investment into a business but through the transfer of shares (i.e., buying someone else’s ownership rather than a just a new share issue).

We have also identified one additional policy decision related to the acceptable criteria:

- treating historical direct investments as acceptable investments as long as they are made no longer than three years prior to lodging an AIP application, and they comply with all other acceptable investment criteria.

These changes are needed to support NZTE’s decision making processes and publication of guidance notes, provide further clarity to stakeholders, and minimise unintended consequences.

Recommended actions

The Ministry of Business, Innovation and Employment (MBIE) recommends that the:

Minister for Economic and Regional Development, Minister of Immigration, and Minister of Research, Science and Innovation

- a. **Note** that Cabinet authorised the Ministers for Economic and Regional Development, Immigration, and Research, Science and Innovation to determine what qualifies as an acceptable investment under the new Active Investor Plus visa, consistent with the following principles:
 - i. investments are into New Zealand entities that clearly contribute to the Government's economic strategy (by being high growth potential firms or contributing to positive social and economic impacts)
 - ii. proper verification is conducted to ensure that the business is legitimate (note, this is not a test of its financial health and growth potential, which is for the investor to ascertain), and
 - iii. investments do not prejudice New Zealand's reputation as a responsible member of the world community [CAB-22-MIN-0162.01]

Noted
- b. **Note** that in early September, you agreed to detailed eligibility criteria to give effect to the principles in recommendation (a) above [briefing 2223-0653 refers]

Noted
- c. **Note** that following the opening of visa applications we have identified the need to clarify a number of technical criteria and one additional policy decision related to the acceptable investment criteria

Noted

Technical changes to acceptable investment criteria

- d. **Note** that the current definition of acceptable managed funds may pose overly onerous compliance costs on venture capital and private equity fund managers that are not required to be licensed by the Financial Markets Authority

Noted
- e. **Agree** that the definition of acceptable managed funds be expanded to include venture capital and private equity fund managers who are not required to be licensed by the Financial Markets Authority

Agree / Disagree / Discuss
- f. **Note** that the current requirement that managed funds "substantially invest in entities with a 'New Zealand Connection'" may inadvertently exclude some managed funds

Noted
- g. **Agree** that the definition of 'New Zealand Connection' be amended to ensure it covers all managed funds

Agree / Disagree / Discuss
- h. **Note** that investments cannot currently be made via a transfer of shares, but only via new share issues

Noted

- i. **Agree** that acceptable direct investments as determined by NZTE can include the transfer of shares
Agree / Disagree / Discuss
- j. **Note** that the general principle is that an acceptable investment is determined at the time an investment is made, but that this currently does not apply to rules around the limit on real estate in listed equities, the requirement for funds to have a New Zealand connection and what managed funds are considered acceptable (on the whitelist)
Noted
- k. **Agree** that an acceptable investment into managed funds is determined when the acceptable investment is made rather than when the visa application was made
Agree / Disagree / Discuss
- l. **Agree** that the 20% cap on property and real estate for listed equities apply at the point of investment (and that an investor does not need to divest if the fund later breaches that threshold)
Agree / Disagree / Discuss
- m. **Agree** that a managed fund must have at least 70% of companies with a New Zealand connection when the acceptable investment is made (and that an investor does not need to divest if the fund later breaches that threshold)
Agree / Disagree / Discuss

Additional policy change relating to acceptable investment criteria

- n. **Note** that our previous advice did not make explicit how historical direct investments are recognised with respect to acceptable investments
Noted
- o. **Agree** that historic direct investments will be considered acceptable investments as long as they are made no longer than three years prior to lodging an AIP application, and they comply with all other acceptable investment criteria.
Agree / Disagree / Discuss

Other procedural decisions

- p. **Agree** that NZTE, in its role as the steward of determining acceptable investments, will:
 - i. publish and update, from time to time, guidance notes to the criteria for managed funds and direct investments that are consistent with, and do not derogate from, the immigration instructions but give more details
 - ii. publish a list of exclusions, in the guidance notes, similar to an Environmental, Social and Governance framework on assets which funds or direct investments cannot be invested into or be involved with, in order to give effect to (a) above on responsible investment. NZTE will update this list over time, if necessary, without the details being in the immigration instructions.
Agree / Disagree / Discuss
- q. **Agree** the following minor and technical changes to improve the workability of the Active Investor Plus visa:
 - i. investors can transfer holding investments into another eligible holding investments (i.e., bank account, term deposit, or bonds) to better reflect banking practises
Agree / Disagree / Discuss
 - ii. funds and assets already held in New Zealand to be nominated without needing to meet more stringent transfer requirements, subject to having been held in New Zealand for at least two years
Agree / Disagree / Discuss

Minister of Immigration

r. **Agree** to certify the proposed changes to immigration instructions, **subject to** ministers' joint agreement to recommendations f to v, by signing the associated Ministerial Certificate attached in Annex One

Agree / Disagree

s. **Note** the proposed changes to instructions come into effect immediately once certified

Noted

s9(2)(a)

Landon McMillan
Manager, Investment Policy
Labour, Science and Enterprise, MBIE

1 / 12 / 2022

s9(2)(a)

Kirsty Hutchison
Manager, Immigration (Border and Funding) Policy
Labour, Science and Enterprise, MBIE

1 / 12 / 2022

s9(2)(a)

Dr Jess Robertson
Manager, Innovation Policy
Labour, Science and Enterprise, MBIE

1 / 12 / 2022

s9(2)(a)

Debbie Te Awne
Acting General Manager, Enablement
Immigration New Zealand, MBIE

1 / 12 / 2022

Hon Stuart Nash
Minister for Economic and Regional Development

..... / /

Hon Michael Wood
Minister of Immigration

..... / /

Hon Dr Ayesha Verrall
Minister of Research, Science and Innovation

..... / /

Background

1. New Zealand Trade and Enterprise (NZTE) will shortly be launching its process to determine acceptable managed funds and direct investments for the purposes of the new Active Investor Plus visa.
2. In order to support the shift towards incentivising more impactful but riskier asset classes, Cabinet agreed that NZTE would be the steward of determining acceptable investments. This aligns with NZTE's role in connecting investment to New Zealand businesses. Cabinet authorised the Ministers for Economic and Regional Development, Immigration, and Research, Science and Innovation to make any changes to determine what qualifies as an acceptable investment under the new Active Investor Plus visa, consistent with the following principles:
 - investments are into New Zealand entities that clearly contribute to the Government's economic strategy (by being high growth potential firms or contributing to positive social and economic impacts)
 - proper verification is conducted to ensure that the business is legitimate (note, this is not a test of its financial health and growth potential, which is for the investor to ascertain), and
 - investments do not prejudice New Zealand's reputation as a responsible member of the world community [CAB-22-MIN-0162.01].
3. We provided joint ministers with the first set of criteria for determining acceptable investments in early September 2022, which NZTE developed through consultation with MBIE and a small group of industry stakeholders [briefing 2223-0653 refers].
4. However, additional policy and technical issues were identified after interested applicants began to test the boundaries of the detailed criteria outlined in the immigration instructions. Changes are proposed to support NZTE's decision making processes, provide further clarity to stakeholders, and minimise unintended consequences.

Proposed refinements to the acceptable investment criteria

5. We propose the following amendments to acceptable investment criteria, which will be reflected in immigration instructions:

Acceptable managed funds	<p>Current acceptable investment criteria require fund managers to be licensed by the Financial Markets Authority (FMA). Stakeholders have raised concerns that this may exclude venture capital and private equity funds that do not require licensing from the FMA (but could be licensed) and where fund managers do not wish to be licensed. For example, this applies to fund managers who service wholesale investors.</p> <p>A requirement to be licensed sets compliance requirements over and above what the FMA as the regulator ordinarily requires of fund managers servicing wholesale investors. This would present additional compliance costs on venture capital and private equity fund managers who are not otherwise required to be licensed because if they wish to apply to be determined as an acceptable investment for the purpose of the AIP visa.</p> <p>We recommend the definition of acceptable managed funds be expanded to better reflect market realities.</p>
---------------------------------	--

<p>Clarity about New Zealand Connection</p>	<p>Current acceptable investment criteria require managed funds to “substantially invest in entities with a ‘New Zealand Connection’. Some stakeholders have noted that it may inadvertently exclude some managed funds given its focus is on the venture capital market. We recommend that the definition of ‘New Zealand Connection’ be clarified to make it clear that it is not limited to venture capital markets, but also covers the New Zealand economy more generally.</p>
<p>Allowing transfer of shares under direct investments</p>	<p>We recommend that acceptable direct investments can include the transfers of shares, if deemed acceptable by NZTE. This expands the spectrum of transactions that can be made as part of an acceptable direct investment to include not only new capital raises but also scenarios where investment will be used for the saving of jobs (i.e., in distressed asset sales) or for the benefit of the New Zealand economy as demonstrated to NZTE.</p>
<p>20% cap on property and real estate for listed equities</p>	<p>Ministers previously agreed to permit some real estate and property investments as an acceptable investment if the fund or direct investment has been determined acceptable by NZTE (as briefing 2223-0653 refers). A 20% cap on property and real estate was also set for listed equities, recognising that some Index ETFs and diversified managed funds may include property and real estate as part of a diversified portfolio management strategy.</p> <p>Stakeholders have sought clarity about the date in which the 20% cap is determined. For example, at investment date or at the point of AIP application, or continuously throughout the 48-month investment period.</p> <p>We recommend that the 20% cap need to be demonstrated only at the date of investment. We are cognisant of additional on-going compliance costs and risks of breaching resident visa conditions outweigh the benefits which may occur by imposing strict rules.</p>
<p>Clarifying “net” initial investment cap of 70%</p>	<p>One of the criteria for an acceptable managed funds includes a requirement that 70% of the Net Committed Capital made available to the Managed Investment Scheme or DIMS be allocated for investment in entities with a New Zealand Connection.</p> <p>Similar to above, stakeholders have sought clarity about the date in which the 70% threshold is determined.</p> <p>We recommend that the 70% threshold need to be demonstrated only at the date at which the capital is initially committed to the managed fund. We recognise that that managed fund’s asset values and portfolio mix can change over time, and we are cognisant of additional on-going compliance costs and risks of breaching resident visa conditions outweigh the benefits that may occur by imposing strict rules.</p>
<p>When an investment is determined to be made for managed funds</p>	<p>We propose a technical change to clarify that a managed fund acceptable investment is determined in accordance with the requirements at the point in time in which the acceptable investment is made rather than determined in accordance with the requirements that applied when the visa application was made. In addition, once an investment in a managed fund is determined as an acceptable investment it remains an acceptable investment for the investment period and to meet the conditions of the visa. Managed funds will be added to and removed from the list maintained by NZTE over time.</p> <p>We want to ensure the investor has maximum flexibility by enabling them to make an investment in managed funds that may not have been available when they first made a visa application. We also want to ensure that if an</p>

	investment fund no longer complies and is removed from the list, the investor migrant does not have to dispose of their investments (made in good faith) at potential short notice and financial loss.
Historical direct investments	<p>Previous advice did not make explicit how historical direct investments are recognised with respect to acceptable investments. For example, a principal applicant may have:</p> <ul style="list-style-type: none"> • Invested prior to their visa application being lodged with INZ in an investment that would be considered an acceptable investment, or • invested between the date of visa application but prior to the investment being approved by NZTE. <p>Our initial view was that historical investments in New Zealand should be able to qualify as an acceptable investment, if all required acceptable investment criteria are met. However, there are scenarios when historic investments may not align with the AIP visa principles and objectives. For example, a principal applicant may have made an investment in early-stage company in 1996 valued at \$100,000. If the value of that investment is now worth \$5 million, and this is treated as an acceptable investment, the applicant would simply have to hold this investment to earn residency. This neither drives new active investment nor make the investor migrant more active.</p> <p>We recommend that a three-year cut off period is established with respects to acceptable investments. For example, an investment made in a New Zealand company, up to three years before the principal applicant lodged an AIP visa application, can be counted as an acceptable investment as long as it meets all other qualifying criteria, received a letter from NZTE and the investor continues to hold the investment for 48 months.</p>

Proposed minor amendments to Active Investor Plus requirements

Allowing funds held in a holding investment to be transferred between holding investments

6. An investor can place some of their funds into holding investments (i.e., bonds, term deposits or a bank account) until those funds are invested in acceptable investments. Current wording only allows funds to be withdrawn from the holding investment if they are to be placed into acceptable investments. This was intended to ensure that investors do not withdraw transfer funds that have already been assessed by INZ as satisfying immigration instructions relating to nominated funds and assets (such as being lawfully earned or acquired).
7. Feedback from the financial sector indicates that without some flexibility to move the funds between different holding investment options, investors may find themselves in breach of the requirements. For example, when a term deposit or bond matures, and is deposited in another bank account. We recommend a change to provide for this flexibility within existing holding investments.

We recommend some flexibility for funds and assets already held in New Zealand

8. In July 2022, officials advised the Ministers for Economic and Regional Development and Immigration that our initial view was that an investor's previous investments in New Zealand should be able to qualify for the AIP visa providing the investment meets the requirements for an acceptable investment and all relevant visa conditions [2223-0060 refers]. In order to give

effect to this, instructions were drafted enabling funds already held in New Zealand to be considered nominated funds.

9. The current wording of the immigration instructions may prevent historical investments already held in New Zealand from being nominated because of the transfer of funds requirements. An investor would not have been able to anticipate the need to transfer those historical funds in their personal name or via a specified third party, as required by immigration instructions.
10. Officials consider that setting a more flexible requirement that funds were initially transferred through the banking system and foreign exchange company and not via a specified third party will provide a reasonable level of assurance and transparency around the transfer of funds while ensuring that investors are able to nominate funds held in New Zealand with a greater degree of flexibility.
11. However, there is a risk that funds and / or assets are transferred prior to making an application in order to avoid the stricter requirements relating to the transfer of funds. To mitigate this risk, we propose limiting this transfer flexibility to funds and / or assets already held in New Zealand for a minimum of two years prior to the resident visa application being made. Funds that have been held in New Zealand for less than two years will be subject to the stricter transfer of funds requirements. This is consistent with how funds, and the funds from the sale of assets that are offshore, are treated.
12. Additionally, assets already held in New Zealand are not specifically referred to, but are implied, given that an investment is treated as an asset under the AIP. To better reflect the phrase 'previous investments' and to ensure investments that meet the acceptable investment criteria do not need to be liquidated, minor changes as a point of clarification are proposed.

Proposed amendments to immigration instructions

13. Amendments to immigration instructions are attached at Annex One for the Minister of Immigration's consideration and certification. If certified, these amendments will come into effect immediately. Proposed additions to immigration instructions are highlighted for ease of reference. Highlighting will not appear in the published versions of the amended Operational Manual.
14. Amended immigration instructions will be published and available to all staff, licensed immigration advisers and the general public through the release of an amendment circular.

NZTE has a key role in delivering the Active Investor Plus visa

15. The AIP visa is highly novel. A new and unique mechanism has been created that immigration instructions set out the rules or criteria for determining the eligibility of principal applicants' investments undertaken for the purposes of granting a residence visa, while also allowing NZTE to make assessment of more complex investments (managed fund and direct investments) undertaken such as managed funds and direct investments, that immigration officers can rely on in determining the acceptability of an AIP applicant's investments.
16. Ahead of establishing process for determining acceptable investments, NZTE sought external advice in relation to establishing these processes to help ensure that NZTE is following "best practice" and all risks (including potential conflict of interest) are appropriately managed. The advice recommended that a way to manage these risks would be to establish an independent advisory panel to assess applications against the criteria for acceptable managed funds and direct investments and make recommendations back to NZTE.

17. NZTE is currently finalising the process to operationalise this new responsibility, including setting up the application process to be assessed as an acceptable managed fund or direct investment and convening an independent advisory panel to assess applications. NZTE intended to open applications in late November 2022, but this was subject to some technical amendments to immigration instructions and some further refinements to acceptable investment criteria as set out above.
18. NZTE is working with an independent nominator and search agent to form the advisory panel. NZTE cannot yet give a timeframe for the first advisory panel meeting (and therefore the first determination of investments as “acceptable”) because this is dependent on the timely appointment and availability of panel members.
19. Managed funds determined as acceptable will be added to an “acceptable list” maintained and published by NZTE. Acceptable direct investments will receive a letter of confirmation from NZTE. INZ decision-makers will then use the acceptable list or letter, along with specific immigration instructions around transfer and investment processes, to assess if the principal applicants’ investments in managed funds and direct investments meet the requirements of the visa category.

Clarifying what NZTE is enabled to do in its role as the steward

20. Although Cabinet noted that NZTE would be the stewards of determining what an acceptable investment is, NZTE does not have the legal authority to make policy or are not designated as immigration officers. Given this complexity, we recommend that clearer direction and guidance about the NZTE’s role to effectively carry out the role as stewards is needed.
21. Cabinet has authorised the Ministers for Economic and Regional Development, Immigration, and Research, Science and Innovation to make any changes to determine what qualifies as an acceptable investment under the new AIP visa, that includes the following principle:
 - investments do not prejudice New Zealand’s reputation as a responsible member of the world community [CABI-22-MIN-0162.01]
22. We recommend that NZTE is directed to publish and update, from time to time, guidance notes to the criteria for managed funds and direct investments that gives more details than immigration instructions,
23. In order to give effect to the principle outlined in paragraph 26, NZTE will publish a list of exclusions as part of these guidance notes, similar to an ESG framework, that specify that managed funds or direct investments cannot be invested into, or be involved with, in order to meet qualifying criteria.
24. NZTE will update this list over time, if necessary, without the details being in the immigration instructions. An example of the initial exclusions is listed below.

Examples of business activities which may prejudice New Zealand’s reputation include (but are not limited to) those which:

- relate to the manufacturing of tobacco or other nicotine-based products;
- relate to gambling, casinos and equivalent enterprises;
- relate to adult entertainment;
- relate to extractive industries (e.g., mining of minerals or other geological materials, water bottling, oil and gas);

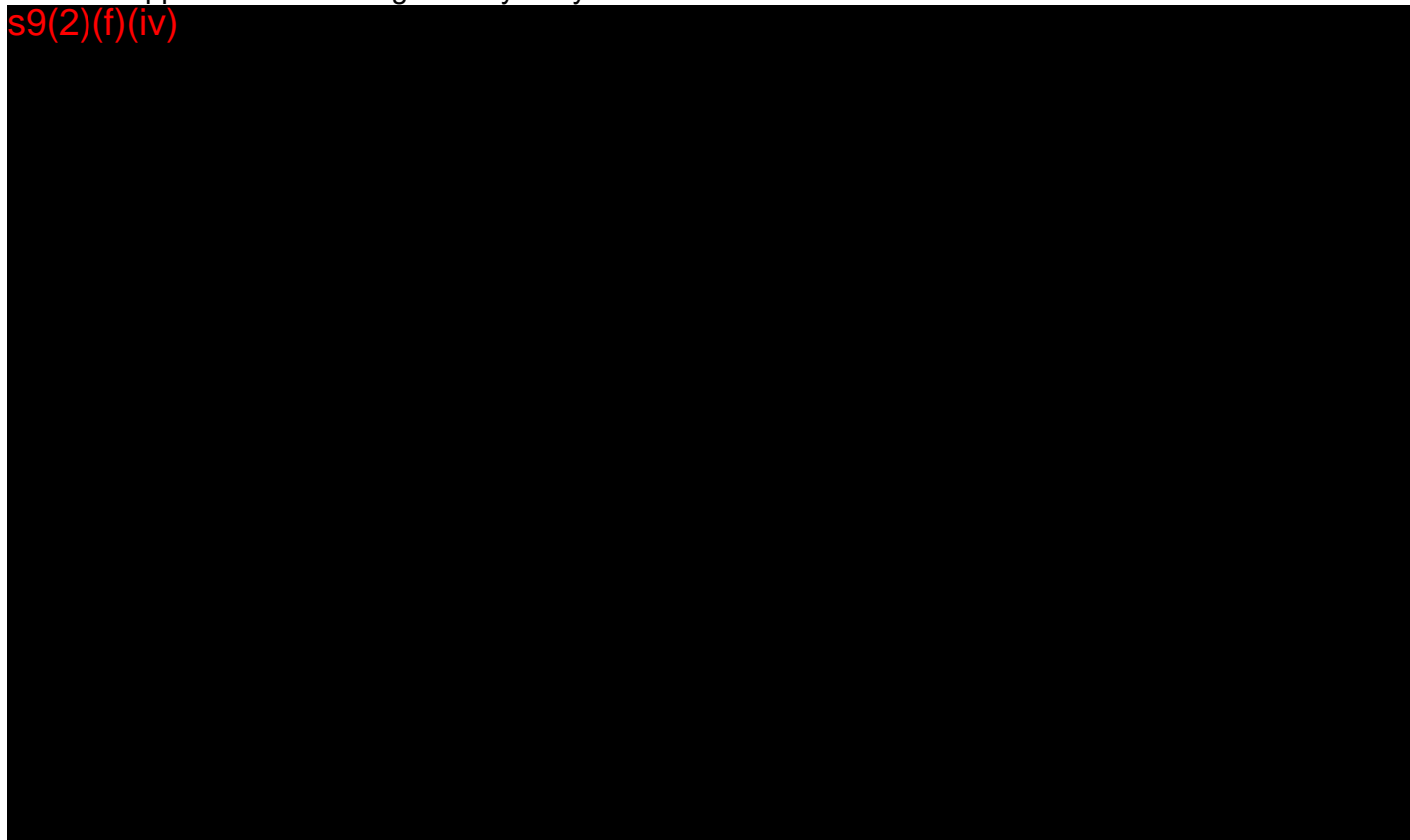
- relate to the manufacturing of weapons, including:
 - military weapons;
 - controversial weapons (cluster munitions, landmines, biological and chemical weapons, nuclear weapons and depleted uranium);
 - civilian firearms;
- involve the use of child labour, forced or compulsory labour, or other human right abuses;
- promote any form of discrimination based on race, culture, gender, sexual orientation, or other prohibited grounds;
- are illegal in the country in which the good or service is used or intended to be used; or
- are likely to have a materially adverse impact on the climate or environment.

Future enhancements

The online application form

25. In order to meet the 19 September implementation date, a minimalist online application form for the AIP visa was developed recognising that a paper-based form would be undesirable to applicants and their representatives. Enhancements are currently being made to the online form to make it more workable and user friendly. These include a change to enable an applicant to save a draft of their application and return to it later, so applicants have more time to collate and submit the necessary information for their application. Changes to the application form will go live by early December.

s9(2)(f)(iv)



Planning for the 12-month implementation review

33. Cabinet has directed officials to undertake an implementation review of the new AIP visa 12 months after it goes live and invited the Minister of Immigration to report back to Cabinet on the outcomes of the review [CAB-22-MIN-0162.01].
34. Officials have developed an intervention logic map (ILM) for the AIP visa (attached at Annex Two), which sets out:
 - the overarching goal of the AIP visa policy
 - the medium- and long-term outcomes in support of the overarching goal, including success indicators, and
 - short-term implementation success indicators.
35. The attached ILM provides the framework for monitoring and evaluating the success and impact of the new visa category, including both the 12-month implementation review and the five-year impact evaluation. To support this, officials are finalising reporting requirements, including the data captured across agencies in order to measure the success of implementation against the indicators in the ILM.

36. Examples of key data which will be captured will include indicators to measure:
- Promotional, activation, and aftercare activities undertaken and its effectiveness,
 - Administrative processes such as the timeliness of visa processing,
 - Impact of the visa such as the total value of investments made and a breakdown of investments by category.
37. Some indicators will require bespoke interviews or surveys. Officials will work through the scope and scale of surveys or interviews in mid-2023.
38. Once reporting requirements have been finalised, INZ and NZTE officials will provide quarterly update reports against the ILM indicators to the Investor Migrant Governance Group,² with the final 12-month implementation review provided to ministers in late 2023. These quarterly reports will provide insight into any presenting challenges and successes arising from implementation and will be used to shape the plan for a survey or interviews at the 12-month point.

² Investor Migration Governance Group is responsible for the overall AIP visa governance; to ensure that the policies, functions, and information are shared and aligned. The group membership comprises of senior officials from MBIE (Manager of Immigration Policy (Border and Funding), Investment Policy), INZ (Associate Deputy Secretary Immigration), and NZTE (General Manager – Investment). The group will not be responsible for monitoring agency performance in delivering their respective investor migration functions. The group will have its inaugural meeting in December 2022.

Annexes

Annex One: Proposed amendments to Residence instructions effective on and after date of certification

Annex Two: Active Investor Plus – Intervention Logic Map

Annex One: Proposed amendments to Residence instructions effective on and after date of certification

BN6 Nominated funds and/or assets

- a. The principal applicant must:
 - i. nominate funds and/or assets equivalent in value to at least NZ\$15 million or weighted equivalent (see [BN7.1](#)); and
 - ii. demonstrate ownership of the nominated funds and/or assets (see [BN6.1](#)); and
 - iii. demonstrate that the nominated funds and/or assets have been legally earned or acquired (see [BN6.5](#)).
- b. The nominated funds and/or assets must be unencumbered (see [BN6.10](#)).
- c. The nominated funds and/or assets must not be borrowed, except to the extent that the borrowed funds are secured against nominated assets and have been demonstrated by the principal applicant to be acceptable as set out in [BN8.10\(e\)](#).

BN6.1 Ownership of nominated funds and/or assets

Nominated funds and/or assets may be owned:

- a. solely by the principal applicant; or
- b. jointly by the principal applicant and partner and/or dependent child, provided a business immigration specialist is satisfied that the partner and/or dependent child meets the relevant requirements set out at [R2.1.15](#), [R2.1.15.1](#), [R2.1.15.5](#) and [R2.1.30](#). If so, the principal applicant may claim the full value of such jointly owned funds or assets for assessment purposes; or
- c. jointly by the principal applicant and a person other than their partner or dependent child. If so, the principal applicant must only claim the value of that portion of funds and/or assets for which they provide evidence of ownership.

BN6.5 Funds and/or assets earned or acquired legally

- a. Funds and/or assets must be earned or acquired in accordance with the laws of the country in which they were earned or acquired, including any currency exchange of the nominated funds and/or assets.
- b. Where nominated funds and/or assets have been gifted to the principal applicant, a business immigration specialist must be satisfied that the funds and/or assets being gifted were earned lawfully by the person/s gifting the funds and/or assets.
- c. Nominated funds and/or assets that are or were in New Zealand cannot be gifted under these instructions.
- d. Business immigration specialists may decline an application if they are satisfied that, had the funds and/or assets been earned or acquired in the same manner in New Zealand, they would have been earned or acquired contrary to the criminal law of New Zealand.

BN6.10 Unencumbered funds and/or assets

Funds and/or assets are unencumbered if they are not subject to any mortgage, lien, charge, set off and/or encumbrance (whether equitable or otherwise) or any secured creditor claims.

BN6.15 Funds and/or assets already held in New Zealand

- a. Funds and/or assets held in New Zealand at the time the application is made may be included as nominated funds and/or assets, except where [BN6.5\(c\)](#) applies, and are otherwise subject to all requirements under these instructions unless otherwise specified.
- b. The value of the funds and/or assets held in New Zealand is determined according to its market value at the time the application was made, not the original purchase price.
- c. Periods of investment in New Zealand before approval in principle cannot be taken into account when calculating the 48-month investment period.
- d. Funds and/or assets held in New Zealand must meet the requirements in [BN8.10](#).
- e. Funds and/or assets held in New Zealand for more than two years before the application was made do not need to meet the requirements at [BN8.10\(c\)\(i\)](#) or [\(ii\)](#) but the funds and/or assets must originally have been transferred to New Zealand through the banking system or foreign exchange company from the country or countries in which they were legally earned or acquired, or have been earned or acquired lawfully in New Zealand.

Note: If the nominated assets held in New Zealand meet the requirements at BN3(a)(vii) and (viii), the principal applicant is not required to sell the nominated assets to meet the requirements at BN8.10(a) and (b)(i).

BN6.20 Evidence of the nominated funds and/or assets

- a. The principal applicant must provide evidence that:
 - i. demonstrates ownership of the nominated funds and/or assets, and that the nominated funds and/or assets were legally earned or acquired; and
 - ii. the funds and/or assets nominated are equivalent in value to NZ\$15 million or weighted equivalent (see [BN7.1](#)).
- b. All documents provided as valuations of assets must be:
 - i. no more than three months old at the date the resident visa application is made; and
 - ii. produced by an external and reputable agency; and
 - iii. credible, as determined by a business immigration specialist.
- c. A business immigration specialist may seek further evidence if they:
 - i. are not satisfied that the nominated funds and/or assets were legally earned or acquired; or
 - ii. consider that the nominated funds and/or assets may have been gifted without being declared or borrowed; or
 - iii. are not satisfied with the valuation provided; or
 - iv. consider that the nominated funds and/or assets do not meet the requirements in these instructions.

BN7 Definitions

BN7.1 Investment type and weighting

For the purposes of these instructions weighted equivalent is determined by the following table:

Instruction reference	Investment type	NZ dollar amount
BN7.5	Holding investment	Between NZ\$5 million and NZ\$15 million
BN7.10	Acceptable investment	Between NZ\$5 million and NZ\$15 million determined by asset class and the value per dollar as indicated below.
Instruction reference	Acceptable investment – asset class	Weighted equivalent
BN7.10.1	Listed equities Maximum: NZ\$7.5 million	x1 Each \$1 invested will be accorded the value of \$1
BN7.10.5	Philanthropy Maximum: NZ\$7.5 million	
BN7.10.10	Managed Funds	x2 Each \$1 invested will be accorded the value of \$2
BN7.10.15	Direct investment	X3 Each \$1 invested will be accorded the value of \$3

BN7.5 Holding investments

- a. A holding investment means investment of funds in:
 - i. New Zealand, in New Zealand currency; and
 - ii. either one or more of the following:
 - o bonds issued by the New Zealand government or local authorities; or
 - o term deposits with New Zealand registered banks; or
 - o deposits in a New Zealand bank account.
- b. Funds invested in a holding investment:
 - i. must be in the principal applicant's name; and
 - ii. must remain separate from any other funds; and
 - iii. are not for personal use (see [BN7.10.25](#)) or use as a transaction account; and
 - iv. must not be withdrawn except to be transferred to other holding investments (see [BN9.5\(f\)](#)) or to be placed into acceptable investments.

BN7.10 Acceptable investments

- a. An acceptable investment means investment of funds that:
 - i. are not for the personal use of the applicant(s) (see [BN7.10.25](#)); and
 - ii. are invested in New Zealand, in New Zealand currency; and
 - iii. are invested in either one or more of the following assets classes:
 - o listed equities (see [BN7.10.1](#)); or
 - o philanthropy (see [BN7.10.5](#)); or

- o managed funds (see [BN7.10.10](#)); or
 - o direct investments (see [BN7.10.15](#)).
- b. An acceptable investment:
- i. is determined at the time the investment is made; and
 - ii. must continue to meet the requirements **to be** an acceptable investment during the 48-month investment period (except where these instructions provide otherwise).

Note: When an investment no longer meets the requirements of acceptable investments, the principal applicant must invest into another acceptable investment as set out in [BN9.5](#), except where [BN7.10.1\(c\)](#), [BN7.10.10\(d\)](#) and [BN7.10.15\(d\)](#) applies.

- c. The investment value is determined at the time it is made, except where [BN6.15\(c\)](#) applies, inclusive of investment fees (such as management fees), brokerage fees and transaction fees charged on the funds invested.

Note: Investment fees do not include legal or advisory costs outside of the investment.

BN7.10.1 Listed equities

- a. For an investment in listed equities to be considered an acceptable investment, the funds must be invested either directly or through an exchange traded fund or managed fund, managed by someone licensed by the Financial Markets Authority to provide that service, in the equities of a New Zealand resident entity that:
- i. are listed by a market operator licensed by the Financial Markets Authority; or
 - ii. are offered through a crowdfunding provider licensed by the Financial Markets Authority; and
 - iii. is not engaged in the acquisition, development, ownership, leasing, management, and operation of property (see [BN7.10.30](#)) except if (b) below applies.
- b. Equities in entities engaged in the acquisition, development, ownership, leasing, management and operation of property assets, which are held through an exchange traded fund or managed fund, may be counted towards the principal applicant's investment in listed equities provided they comprise no more than 20 percent of the value of the total assets held by the fund.
- c. **The requirement of no more than 20 percent of the value of the total assets held by the fund, in (b) above, will only be determined at the date the investment is initially made, and if met at that time, remains an acceptable investment eligible for treatment as listed equities.**
- d. A maximum of NZ\$7.5 million can be invested in listed equities.

BN7.10.5 Philanthropy

- a. For philanthropic investments to be considered acceptable investments, the funds must be donated to organisations that:
- i. are a registered charity with at least two years of annual returns; and
 - ii. have Inland Revenue donee status, which has not ceased.
- b. A maximum of NZ\$7.5 million can be invested in philanthropy.

BN7.10.10 Managed Funds

- a. For an investment in a managed fund to be considered an acceptable investment:
- i. the investment must be in either:
 - o the managed investment products issued by a managed investment scheme which is on the acceptable managed fund list maintained by NZTE; or
 - o a discretionary investment management service which is on the acceptable managed fund list, maintained by NZTE; and

Note: The criteria for inclusion on the acceptable managed fund list is set out in [Appendix 15](#).

- ii. there must be:
 - o a legally binding, non-revocable contract made under New Zealand law under which the principal applicant has agreed to acquire managed investment products in an acceptable managed investment scheme; or

- o a legally binding client agreement and investment authority made under New Zealand law under which the principal applicant has agreed to receive a discretionary investment management service.
- b. For the purposes of these instructions:
- i. managed investment product, managed investment scheme, discretionary investment management service and investment authority have the meanings given to those terms in the Financial Markets Conduct Act 2013; and
 - ii. the total committed capital specified in the legally binding contract (see (a)(ii) above) is considered funds invested.

Note: For the avoidance of doubt, actual investment of the funds is not required except as stipulated in the legally binding contract.

- c. Where funds have been committed, under a legally binding fund investment contract, but have not yet been called upon by the fund manager, the principal applicant must invest the amount of any committed but uncalled funds into holding investments (see [BN7.5](#)).
- d. An investment in a managed fund is considered to be an acceptable investment if it meets the requirements of managed funds under the Active Investor Plus immigration instructions at the time the investment is made and if met at that time, remains an acceptable investment eligible for treatment as a managed fund.

BN7.10.15 Direct investments

- a. For an investment to be considered an acceptable direct investment:
- i. the principal applicant must invest in:
 - o listed equities that are considered an acceptable investment as set out in [BN7.10.1\(a\)](#) as a wholesale investor; or
 - o an equity security in an investee entity; or
 - o another financial product that will be converted, or is or may become convertible, into an equity security in an investee entity; and
 - ii. NZTE must confirm that the:
 - o investment by the principal applicant in acceptable listed equities as a wholesale investor was pre-approved by NZTE prior to funds being invested; or
 - o investee entity is an acceptable direct investment.

Note: The criteria for acceptable direct investments, as determined by NZTE, are set out in [Appendix 15](#).

- b. When the funds have been invested, the principal applicant must:
- i. have a direct ownership interest in the entity; or
 - ii. have a sole beneficial interest in a trust whose trustee has a direct ownership interest in the entity.
- c. For the purposes of these instructions:
- i. Equity security means a share in a company or an equivalent interest in a body corporate but does not include a debt security.
 - ii. Debt security has the meaning given to that term in the Financial Markets Conduct Act 2013.
 - iii. Investee entity means a body corporate that:
 - o is a New Zealand resident entity; and
 - o is not listed on any securities exchange or stock exchange.
 - iv. Wholesale investor has the meaning given to that term in the Financial Markets Conduct Act 2013.
- d. If the investee entity becomes domiciled outside of New Zealand after the funds are invested, such that it is no longer a New Zealand resident entity, the investment of funds remains an acceptable investment eligible for treatment as a direct investment.

- e. For the purposes of (a)(i) above, [BN3\(a\)\(vii\)](#), and [BN9\(a\)\(ii\)](#), funds are able to be treated as funds invested in an investee entity when the principal applicant has entered into a legally binding non revocable contract made under New Zealand law with the investee entity or other legal person to acquire an equity security in an investee entity; or another financial product that will be converted, or is or may become convertible, into an equity security in an investee entity.
- f. The terms of that legally binding contract must comply with the timeframes and minimum amounts set out in [BN9.1\(a\)](#) and the principal applicant must place the funds into a holding investment (see [BN7.5](#)) until invested into the acceptable direct investment.
- g. Notwithstanding (e) and(f), in order to satisfy the conditions imposed on the resident visa under section 49(1) of the Immigration Act (see [BN9.1](#)), the funds must be invested into the direct investment. An undertaking to make an investment in the direct investment is insufficient.

[BN7.10.20 New Zealand resident entity](#)

For the purposes of these instructions, a New Zealand resident entity is a body corporate that:

- a. is incorporated in New Zealand; and
- b. has its head office in New Zealand; and
- c. has its centre of management in New Zealand; and
- d. has control, by company directors, exercised in New Zealand.

[BN7.10.25 Personal use of investment funds](#)

Personal use includes but is not limited to investment in assets such as a personal residence, car, boat or other personal assets.

[BN7.10.30 Property and real estate development](#)

Property and real estate development is determined by membership of the S&P/NZX All Real Estate Index which comprises members of the S&P/NZX All Index that are classified within the real estate sector of the Global Industry Classification System.

BN9 Grant of resident visas

- a. Resident visas may only be granted once principal applicants have:
 - i. met the transfer requirements set out at [BN8.10](#); and
 - ii. made the required acceptable investment as set out in [BN3\(a\)\(vii\)](#) and
 - iii. placed the remainder of the nominated funds or funds from the sale of nominated assets into holding investments and/or acceptable investments (see [BN3\(a\)\(viii\)](#)).
- b. A business immigration specialist must also be satisfied the applicant continues to meet the requirements set out at [BN3\(a\)\(i\)](#) to [\(vi\)](#).
- c. Resident visas will be granted subject to conditions under section 49(1) of the Immigration Act 2009 in accordance with the instructions set out at [BN9.1](#).

BN9.1 Resident visas subject to conditions under section 49(1) of the Immigration Act

See also Immigration Act 2009 s 49

All resident visas granted under the Active Investor Plus visa category are subject to the following conditions under section 49(1) of the Immigration Act 2009, that:

- a. the principal applicant transfers funds into acceptable investments (see [BN7.10](#)) as follows:
 - i. a minimum of NZ\$7.5m or weighted equivalent must be invested, inclusive of acceptable investments to commence the 48-month investment period (see [BN8.25](#)), within the first 18 months of the 48-month investment period; and
 - ii. a total of NZ\$15 million or weighted equivalent must be invested within the first 36 months of the 48-month investment period; and
- b. the principal applicant retains the funds in holding investments until transferred into acceptable investments as required under (a) above; and
- c. the principal applicant retains acceptable investments in New Zealand when made, until the expiry of the 48-month investment period; and

Note: Investment transfers that meet the requirements in [BN9.5](#) meet the requirement of (c) above.

- d. the principal applicant spends a minimum period of time in New Zealand of 117 days as the holder of a resident visa during the 48-month investment period; and
- e. the principal applicant informs the nearest office of INZ of any changes of New Zealand address during the 48-month investment period; and
- f. within three months after the first 18 months of the 48-month investment period, the principal applicant submits evidence that they:
 - i. have invested a minimum of NZ\$7.5 million or weighted equivalent into acceptable investments; and
 - ii. have retained the funds in holding investments in New Zealand; and
- g. within three months after the first 36 months of the 48-month investment period, the principal applicant submits evidence that they:
 - i. have invested a total of NZ\$15 million or weighted equivalent into acceptable investments; and
 - ii. have retained a minimum of NZ\$7.5 million in acceptable investments as set out in (a)(i) above; and
 - iii. had retained the funds in holding investments in New Zealand; and
- h. within three months after the expiry date of the 48-month investment period, the principal applicant submits evidence to INZ that they have retained the acceptable investments of a total of NZ\$15 million or weighted equivalent throughout the final 12 months of the 48-month investment period.

BN9.5 Investment transfers during the investment period

- a. Principal applicants may transfer funds in acceptable investments within the same assets class, provided:
 - i. the investment of the funds continues, during the 48-month investment period to meet the acceptable investment requirements for that asset class; and

- ii. the funds when reinvested continue to meet the conditions imposed under the Immigration Act 2009 as specified in [BN9.1](#); and
 - iii. the transfer is completed within:
 - o 30 days for listed equities, or
 - o 90 days for managed funds; or
 - o 180 days for direct investments.
- b. Principal applicants may transfer funds to a higher weighted asset class provided:
- i. the investment of the funds continues, during the 48-month investment period, to meet the acceptable investment requirements of the asset class; and
 - ii. the funds when reinvested continue to meet the conditions imposed under the Immigration Act 2009 as specified in [BN9.1](#); and
 - iii. the transfer must be completed within
 - o 90 days for managed funds; or
 - o 180 days for direct investments.
- c. Despite (a) and (b), the principal applicant must invest the funds into listed equities ([BN7.10.1](#)) to continue to meet the conditions imposed under the Immigration Act 2009 as specified in [BN9.1](#) and retain the original weighted equivalent value of the investment, if:
- i. the funds have been invested in direct investments or managed funds; and
 - ii. there has been forced liquidation of the investment; and
 - iii. there is less than 6 months in the 48-month investment period to retain the investment in direct investments or managed funds.

Note: The timeframes referred to in (a), (b) and (c) above and (f) below start from the first working day after the funds are in possession and control of the principal applicant or their representative.

- d. Forced liquidations include, but are not limited to, cessation of operations due to the insolvency, bankruptcy of investee entities, changes to shareholder structures such as going private or public (which results in changes to investment categories) or forced secondary-sales due to drag-along obligations.
- e. The sum of the reinvested funds must be:
 - i. equal to the initial amount invested, excluding any capital gains; or
 - ii. the amount realised where a loss has been suffered; or
 - iii. the amount required to meet the conditions imposed under the Immigration Act 2009 as specified in [BN9.1](#), when transferring to a higher weighted asset class as set out in (b) above.

Note: Where the acceptable investment is made up of multiple different investments, some of which have suffered losses and others which have experienced capital gains, there is no requirement to set these gains and losses off against each other to determine the aggregate amount required to be reinvested. Instead, the amount to be reinvested should be calculated by reference to each individual investment.

- f. Principal applicants may transfer funds held in holding investment to another holding investment providing:
 - i. the investment of funds continues to meet the requirements as set out in [BN7.5](#), and
 - ii. the funds when reinvested continue to meet the conditions imposed under the Immigration Act 2009 as specified in [BN9.1](#), and
 - iii. the transfer is completed within 30 days.

Appendix 15 Criteria for managed funds and direct investments

- a. NZTE maintains a list of managed funds in accordance with the criteria set out below.
- b. NZTE will determine if an investment into a New Zealand resident entity is a direct investment in accordance with the criteria set out below.
- c. A business immigration specialist should rely on:
 - i. the list of managed funds maintained by NZTE as evidence of whether or not the managed fund is an acceptable investment under managed funds (see [BN7.10.10](#)); and
 - ii. a letter from NZTE as evidence of an acceptable direct investment (see [BN7.10.15](#)), for either:
 - o investment in an Investee Entity; or
 - o investment in acceptable listed equities as a Wholesale Investor.

Definitions

1 Unless the context requires otherwise:

Debt Security has the meaning given to that term in the FMCA.

Discretionary Investment Management Service (a DIMS) has the meaning given to that term in the FMCA.

DIMS licensee has the meaning given to that term in the FMCA.

Equity Security means:

- a. a share in a company; or
- b. an equivalent interest in a body corporate, but does not include a Debt Security.

Financial Product has the meaning given to that term in the FMCA.

FMCA means the Financial Markets Conduct Act 2013.

Investment authority has the meaning given to that term in the FMCA.

Investee Entity means a body corporate that:

- a. is a New Zealand Resident Entity; and
- b. is not listed on any securities exchange or stock exchange.

Managed Investment Scheme has the meaning given to that term in the FMCA.

Managed Investment Product has the meaning given to that term in the FMCA.

Net Committed Capital means the total funds committed to the Managed *Investment Scheme* or *DIMS*, minus the anticipated fees, obligations, expenses and liabilities to be incurred by the relevant Managed Investment Scheme or DIMS licensee.

New Zealand Connection has the meaning given to that term in the Policy Statement on the Venture Capital Fund Act 2019, published by the Ministry of Business, Innovation & Employment and the Treasury and dated December 2019, amended to replace "New Zealand venture capital industry" on page 6 with "New Zealand economy generally" and to replace "New Zealand Venture Capital Market" in the third bullet point of the definition of "New Zealand Connection" on page 7 with "New Zealand economy generally".

New Zealand Resident Entity has the meaning given to that term in BN7.10.20 of the Immigration New Zealand Instructions for the Active Investor Plus visa.

Objective means the objective of the Active Investor Plus visa as set out in BN1 of the Immigration New Zealand Instructions for the Active Investor Plus visa.

Principles means the principles for assessing whether direct investments or managed funds are acceptable investments, being an investment:

- a. **that clearly contributes to the Government's economic strategy (by being high growth potential firms or contributing to positive social and economic impacts);**
- a. is into legitimate Investee Entities or managed funds and proper verification is conducted to ensure this¹; and
- b. **does not prejudice New Zealand's reputation as a responsible member of the world community.**

Provider of a discretionary investment management service has the meaning given to it in the FMCA.

Wholesale Investor has the meaning given to it in the FMCA.

¹ For the avoidance of doubt, this is not a test of the Investee Entity or managed funds financial health and growth potential, which is for the principal applicant to ascertain.

Managed funds

Criteria for acceptable managed funds

- 2 A Managed Investment Scheme is an acceptable managed fund if NZTE is of the view that:
 - 2.1 It is managed by a fund manager **and/or general partner** that is **appropriately registered** and is a New Zealand Resident Entity;
 - 2.2 it will hold funds on the principal applicant's behalf in New Zealand and in New Zealand dollars;
 - 2.3 it does not invest in Financial Products that are quoted on any securities exchange or stock exchange;
 - 2.4 it invests wholly or substantially in entities with a New Zealand Connection. For the purposes of this provision, **"substantially invested in entities with a New Zealand Connection"** means where a minimum of 70% of the **initial** Net Committed Capital made available to the Managed Investment Scheme is allocated for investment in entities with a New Zealand Connection; and
 - 2.5 it is otherwise acceptable for the purposes of the Active Investor Plus visa.

Criteria for acceptable discretionary investment management service

- 3 A Discretionary Investment Management Service is an acceptable Discretionary Investment Management Service if NZTE is of the view that:
 - 3.1 that service is provided by a DIMS Licensee who is a New Zealand Resident Entity;
 - 3.2 funds will be held on the principal applicant's behalf in New Zealand and in New Zealand dollars;
 - 3.3 the investment authority does not permit investment in Financial Products that are quoted on any securities exchange or stock exchange;
 - 3.4 the investment authority requires investment wholly or substantially in entities with a New Zealand Connection. For the purposes of this provision **"substantially invested in entities with a New Zealand Connection"** means where a minimum of 70% of the **initial** Net Committed Capital made available to the DIMS Licensee is allocated for investment in entities with a New Zealand Connection; and
 - 3.5 it is otherwise acceptable for the purposes of the Active Investor Plus visa.

Managed Funds and DIMS List

- 4 NZTE will from time to time publish a list of acceptable Managed Funds and DIMS.

Advisory Panel

- 5 NZTE may appoint an Advisory Panel to make recommendations to NZTE as to whether a Managed Investment Scheme or DIMS is acceptable.
- 6 If an Advisory Panel is to be appointed:
 - 6.1 NZTE will first appoint a third party nominator or nominations committee;
 - 6.2 the third party nominator or nominations committee will nominate candidates to NZTE for appointment as members of the Advisory Panel; and
 - 6.3 NZTE will appoint the members of the Advisory Panel.
- 7 The members of the Advisory Panel (if any) will be independent of NZTE and will be chosen for their experience, training and expertise in the management of financial investments, as well as their mix of complementary skills.
- 8 NZTE will prepare Terms of Reference for the Advisory Panel.

Discretion

- 9 In exercising its discretion, NZTE and the Advisory Panel will have regard to the Objective and the Principles.

Direct investments

Criteria for acceptable direct investments

- 10 An investment in listed equities that is considered an acceptable investment under **BN7.10.15(a)(i)** of the Immigration New Zealand Instructions for the Active Investor Plus visa is an acceptable direct investment if:
 - 10.1 The principal applicant is a Wholesale Investor in respect of the investment; and
 - 10.2 NZTE pre-approves the investment.
- 11 An Investee Entity is an acceptable direct investment if NZTE is of the view that:
 - 11.1 it has previously received, or will receive, capital from an acceptable managed fund;
 - 11.2 it is listed on the NZTE Live Deals platform (as updated by NZTE from time to time); or
 - 11.3 it is otherwise acceptable for the purposes of the Active Investor Plus visa.

- 12 In exercising its discretion under paragraphs 10.2 and 11.3, NZTE may have regard to:
- 12.1 whether the capital from the direct investment is being used to support the growth of the Investee **Entity's business, to create new jobs or save existing jobs or otherwise deliver additional economic or other benefits to New Zealand** (as reasonably determined by NZTE);
 - 12.2 whether the entity in which the principal applicant is a Wholesale Investor or the Investee Entity (as **applicable**) is **compliant with NZTE's internal know-your-customer (KYC)** process;
 - 12.3 whether the entity in which the principal applicant is a Wholesale Investor or the Investee Entity (as applicable) is already operating and trading;
 - 12.4 if the investment is subject to Overseas Investment Office or Ministerial approval pursuant to the Overseas Investment Act 2005, whether such approval has been provided;
 - 12.5 where:
 - (a) the investment by the principal applicant as a Wholesale Investor is into an entity; or
 - (b) the investment is into an Investee Entity,

that is a "start-up" entity or is undertaking or investing in a "greenfield project" the matters listed in paragraph 13; and
 - 12.6 any other matter that NZTE considers relevant, having regard to the Objective and Principles.
- 13 As above at paragraph 12.5, where the:
- 13.1 the investment by the principal applicant as a Wholesale Investor is into an entity; or
 - 13.2 investment is into an Investee Entity,
- that is a "start-up" entity or is undertaking or investing in a "greenfield project", in exercising its discretion under paragraph 11.3, NZTE may also have regard to:**
- 13.3 if the entity or Investee Entity (as applicable) or the underlying business of the entity or Investee Entity (as applicable) aligns with the NZTE investment sectors of focus; or
 - 13.4 whether satisfactory evidence of market validation, feasibility, or other reasonable diligence in relation to the entity or Investee Entity (as applicable) is provided to NZTE.

Advisory Panel

- 14 NZTE may appoint an Advisory Panel to make recommendations to NZTE as to whether a direct investment is an acceptable investment.
- 15 If an Advisory Panel is to be appointed:
- 15.1 NZTE will first appoint a third party nominator or nominations committee;
 - 15.2 the third party nominator or nominations committee will nominate candidates to NZTE for appointment as members of the Advisory Panel; and
 - 15.3 NZTE will appoint the members of the Advisory Panel.
- 16 The members of the Advisory Panel (if any) will be independent of NZTE and will be chosen for their experience, training and expertise in the management of financial investments, as well as their mix of complementary skills.
- 17 NZTE will prepare Terms of Reference for the Advisory Panel.

Discretion

- 18 In exercising its discretion, NZTE and any advisory panel will have regard to the Objective and the Principles.

**RESIDENCE INSTRUCTIONS
MINISTERIAL CERTIFICATE**

I certify, in accordance with section 22 of the Immigration Act 2009, that the amendments contained in Annex Two of the submission dated 1 December 2022 are part of Residence instructions on and after the date of certification.

Hon Michael Wood
Minister of Immigration

(day) _____
(month) _____
(year)

Annex Two: Active Investor Plus – Intervention Logic Map

Active Investor Plus Visa Intervention Logic

A shift to upfront investment in growth areas of the economy Investor migrants offer benefits through their human capital, skills and international connections

Goals
Increase investor migrants economic impact to support New Zealand businesses to grow

Inputs and Activities
New Zealand Trade and Enterprise (NZTE) and Immigration New Zealand (INZ) work collaboratively to attract, facilitate and support active investor migrants

Implementation Success Factors
Successful implementation of the new policy is essential to attract and facilitate active investors

12 months after the visa goes live we will review the implementation of the policy by NZTE and INZ taking into account five success factors

Information collected as part of the monitoring framework will also be incorporated understand barriers to applying for the visa

Medium term outcomes 2 – 4 years
Investor migrants are active investors, with skills, knowledge, experience and connections to lift the international capability and growth of New Zealand businesses

We expect outcomes to improve as the number of migrant investors increases.

Long-term outcomes 5+ years
We expect growth in the rate and activeness of investment, along with an increase in the performance of companies due to active investor migrants

Promote

NZTE promotes the visa taking a multi-channel approach

- Online promotions
- Social media engagement
- Tailored, market-specific offshore promotional activities

Activate

NZTE activates investment opportunities

- Proactive case management of migrant investors who are looking to invest upfront in active investments
- Leverage existing NZ Inc in-market investor networks and private partnerships

Visa processing

INZ manages the immigration visa application and decision-making process

- Accessible and easy to understand information about the visa application process and requirements
- Applications processed to agreed service standards

Aftercare

NZTE provides proactive and ongoing aftercare services

- Support investor migrants to integrate into the community and the investment ecosystem
- Facilitates networking opportunities

Effective partnership

NZTE and INZ work effectively deliver the policy

How we measure:

- Compliance with the Memorandum of Understanding
- Timely communication and information sharing
- Governance arrangements in place and operating effectively
- Feedback from private sector stakeholders

Effective systems and processes

Systems and processes support implementation

How we measure

- Clear Immigration instructions to achieve policy outcomes
- Criteria for acceptable investments developed in consultation with private sector and Crown, approved by Ministers
- Promotion, activation, visa processing and aftercare processes are established

Effective promotion and activation

Investor migrants submit applications

How we measure:

- Leads generated
- Feedback from private sector stakeholders
- Number of applications submitted

Efficient visa processing

Timely and quality processing of applications

How we measure:

- Established service standards for visa processing
- Effective processing
- Effective prioritisation for the AIP visa in place
- Customer satisfaction survey (applicants and advisors)

Effective aftercare

Investors are supported to integrate with the investment community

How we measure:

- Aftercare support for successful migrants
- Strong engagement with the investor ecosystem to identify investment opportunities
- Net Promoter Score



Invest

- A measurable shift to active and direct investment in New Zealand companies
- Investments are made in a diverse range of New Zealand companies, start-ups and other opportunities (e.g greenfields)



Grow

- Investments return a potential direct economic impact to New Zealand
- A strong pipeline of applicants
- Firms that receive investment have increased export growth, job growth and investment into R&D



Connect

- Investor migrants are represented in governance positions in the companies / platforms they invest in
- Investor migrants are active participants in business / investment philanthropic networks and wider community



Service Standards

- Timeliness and quality performance standards met
- Net Promoter Score

- Investors make follow on investments after the Resident Visa qualification period and reinvest distributed capital into New Zealand businesses
- Investors continue to spend time in New Zealand

- Investors continue to broaden their level of investment in New Zealand
- New Zealand is recognised as a global hub for high quality, high impact investment

Monitoring framework

Regular monitoring and reporting of attractiveness of the visa, application pipeline, visa uptake, level and type of investment and industry feedback to understand effectiveness of the policy settings and operational performance.