

Decision required under the Overseas
Investment Act 2005: NZ Binxi (Oamaru) Foods Limited

Date	21 October_2016
Security Level	Commercial: In Confidence
Priority	High
Report/Case Number	1345/201610121
Consent Required By	31 October 2016 (Applicant advised that a decision by this date is not likely)

Instructions

	Action Sought	Suggested Deadline
Minister for Land Information	<ol style="list-style-type: none"> 1. Sign the attached memorandum 2. Forward the memorandum and annexure to the Associate Minister of Finance 	28 October 2016
Associate Minister of Finance	<ol style="list-style-type: none"> 1. Sign the attached memorandum 2. Forward the memorandum and annexure to the Overseas Investment Office 	4 November 2016

Contact for Telephone Discussion

Name	Position	Telephone (wk)	Cellphone	First Contact
Jenna Reid	Acting Team Manager	04 460 0152		✓
Tyrone Barugh	Solicitor	04 498 3843		

Executive Summary:

Applicant

1. The applicant is NZ Binxi (Oamaru) Foods Limited ("Applicant"), a limited liability company incorporated in New Zealand.
2. The Applicant is a 100% subsidiary of Heilongjiang Binxi Cattle Industry Co Limited ("Parent"), a company incorporated in the People's Republic of China ("China").
3. The Applicant holds the Parent's investment in Lean Meats Oamaru Limited ("Trading Subsidiary"). In 2015, Ministers granted consent for the Applicant to acquire the Trading Subsidiary.

Investment

4. This is an application for consent to undertake an overseas investment in sensitive land, being the acquisition of a freehold interest in approximately 5.3806 hectares of land ("Target Land") at 10 Shortland Road, Oamaru North ("Investment").

Investment Plan

5. The Applicant's investment plan is to:
 - (a) develop an old woolshed on the Target Land into a head office at a cost of approximately \$400,000; and
 - (b) redevelop an existing dwelling on the Target Land into staff accommodation for employees of the Trading Subsidiary at a cost of approximately \$440,000.

Benefit to New Zealand

6. The proposed overseas investment will, or is likely to, benefit New Zealand having regard to the following factors:
 - (a) creation of new job opportunities (section 17(2)(a)(i));
 - (b) greater productivity and efficiency (section 17(2)(a)(iv));
 - (c) additional investment for development purposes (section 17(2)(a)(v));
 - (d) previous beneficial investments (regulation 28(e));
 - (e) advance significant Government policy or strategy (regulation 28(f)); and
 - (f) enhance the viability of other investments (regulation 28(g)).
7. We have reviewed the significance of the above benefits and consider that, collectively, they are likely to be substantial and identifiable.
8. The Target Land is a small parcel of land which is not being used for an economic purpose; the Investment would improve the productivity of the Land and would provide accommodation for the employees of the Trading Subsidiary. The Applicant has also agreed to create one new full-time equivalent job as a condition of consent.

Good Character

9. The Applicant has provided a statutory declaration stating that the individuals with control are of good character.

10. Our standard open source background checks identified two matters in respect of which the Overseas Investment Office sought comment from the Applicant. These matters are minor and have since been addressed by the Trading Subsidiary. We have formed the view (refer to the discussion at page 7) that they do not disqualify the individuals with control from being considered of good character.

Annexures:

11. Report of the Overseas Investment Office on the proposed overseas investment ("Report").
12. Application for consent with supporting material ("Application").

Instructions:

13. Ministers must grant consent to this overseas investment if they are satisfied that all of the criteria in section 16 of the Overseas Investment Act 2005 ("the Act") are met. They must decline to grant consent if they are not satisfied that all of the criteria in section 16 are met. Ministers must not take into account any criteria or factors other than those identified in sections 16 and 17, and regulation 28 of the Overseas Investment Regulations 2005 ("the Regulations").
14. In the attached Report the Overseas Investment Office identifies each of the criteria and factors under sections 16 and 17, and regulation 28 that Ministers are required to consider in this case.

"Benefit to New Zealand criteria"

15. In this case, section 16 requires Ministers to decide, among other things, whether they are satisfied in relation to the following "benefit to New Zealand" criteria:
 - (a) the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders), as determined under section 17 (section 16(1)(e)(ii)); and
 - (b) that benefit will be, or is likely to be, substantial and identifiable (section 16(1)(e)(iii)).
16. The application of the benefit to New Zealand criteria involves the exercise of Ministerial judgement. The fact that responsibility for making this decision has been conferred on Ministers confirms that this is a high-level decision with significant policy content. That is also apparent from the language and content of the factors that must be considered, many of which require a high degree of evaluative judgement, and are not capable of quantification or calculation.
17. In applying the benefit to New Zealand criteria, Ministers are required to consider each of the factors in section 17(2), determine which of the factors are relevant to the investment, and have regard to the relevant section 17(2) factors. The relative importance to be given to each factor is a matter to be determined by Ministers. In particular, the Act does not require economic factors to be given more weight than non-economic factors, or vice versa. It is a matter for you, in carrying out your overall evaluation, to decide what weight to give to each factor.
18. The decision concerning whether the benefit to New Zealand, or any part of it or group of New Zealanders, is substantial and identifiable under section 16(1)(e)(iii), involves a collective assessment of the relevant factors.

Justice Miller’s “with and without test”

Economic factors

19. The High Court in *Tiroa E and Te Hape B Trusts v Chief Executive of Land Information* [2012] NZHC 147 (“*Tiroa E*”) requires the “economic benefit” factors in section 17(2)(a) to be assessed on the basis of a “counterfactual test”. That is, Ministers must consider with respect to each section 17(2)(a) factor whether the overseas investment is likely to result in a benefit to New Zealand over and above any benefit that will or is likely to result even if the investment does not proceed. It is only the additional benefit from the overseas investment that is relevant when applying the “benefit to New Zealand” criteria.

Non- economic factors

20. Although the position is not free from doubt, the better view is that the same question – will this benefit be achieved even if the overseas investment does not occur – should be asked in relation to the other “non-economic” factors listed in section 17(2)(b)-(e). The High Court judgment suggested¹ that there could be a benefit in respect of the non-economic factors even if the same benefit would be achieved in the absence of the investment. But as the Court noted², it is not easy to see how a benefit that will happen anyway could be regarded as substantial for the purposes of section 16(1)(e)(iii). We consider that Ministers should not treat benefits that are likely to be achieved in any event as contributing to the “substantial and identifiable benefit” criterion.

Regulation 28 factors

21. With regard to the factors in regulation 28 of the Overseas Investment Regulations 2005, Miller J noted that:

The criteria listed in reg 28 deal, for the most part, with benefits that only an overseas buyer could provide or what may be loosely described as strategic considerations, so they do not require a counterfactual analysis.³

22. Many of the factors in regulation 28 are incapable of having a counterfactual analysis applied to them. However, as recognised by Miller J, there are some factors that may require a counterfactual analysis. The Overseas Investment Office has applied a counterfactual analysis where appropriate.

Conditions

23. Conditions may be imposed on any consent that is granted, under section 25. The attached Report recommends some conditions that Ministers may wish to consider imposing in this case.
24. If you wish to make any changes to the conditions of consent, those changes should be discussed with the Overseas Investment Office, and the other Minister, before being finalised.

¹ *Tiroa E* at [36].

² *Tiroa E* at [38].

³ *Tiroa E* at [36].

Decision

- 25. The decision that you are required to make should be based on information available to you that you consider is sufficiently reliable for that purpose. The information that the Overseas Investment Office has taken into account in making its recommendation is summarised in the attached Report.
- 26. If you propose to disagree with the decision of the other Minister, you should discuss your proposed decision with the Overseas Investment Office and the other Minister.
- 27. If required, staff from the Overseas Investment Office are available to brief you on the Office's recommendations.

Recommendations:

28. I recommend that you:

(a) determine that:

- (i) the 'relevant overseas person' is (collectively) NZ Binxi (Oamaru) Foods Limited, Qiaogang Zhang, Zhiyun He and Heilongjiang Binxi Cattle Industry Co Limited; and
- (ii) the 'individuals with control of the relevant overseas person' are:
 - Zhiyun He (as a shareholder and sole director of the parent and as a director of the Applicant);
 - Richard James Thorp (as a director of the Applicant); and
 - Qiaogang Zhang (as the wife of Zhiyun He and as a shareholder of the Applicant).
- (iii) the individuals with control of the relevant overseas person collectively have, business experience and acumen relevant to the overseas investment; and
- (iv) the relevant overseas person has demonstrated financial commitment to the overseas investment; and
- (v) all the individuals with control of the relevant overseas person are of good character; and
- (vi) each individual with control of the relevant overseas person is not an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009; and
- (vii) the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders); and
- (viii) the benefit will be, or is likely to be, substantial and identifiable; and

(b) and accordingly you are satisfied that the criteria for consent in section 16 have been met; and

Associate Minister of Finance:

Satisfied

Not Satisfied

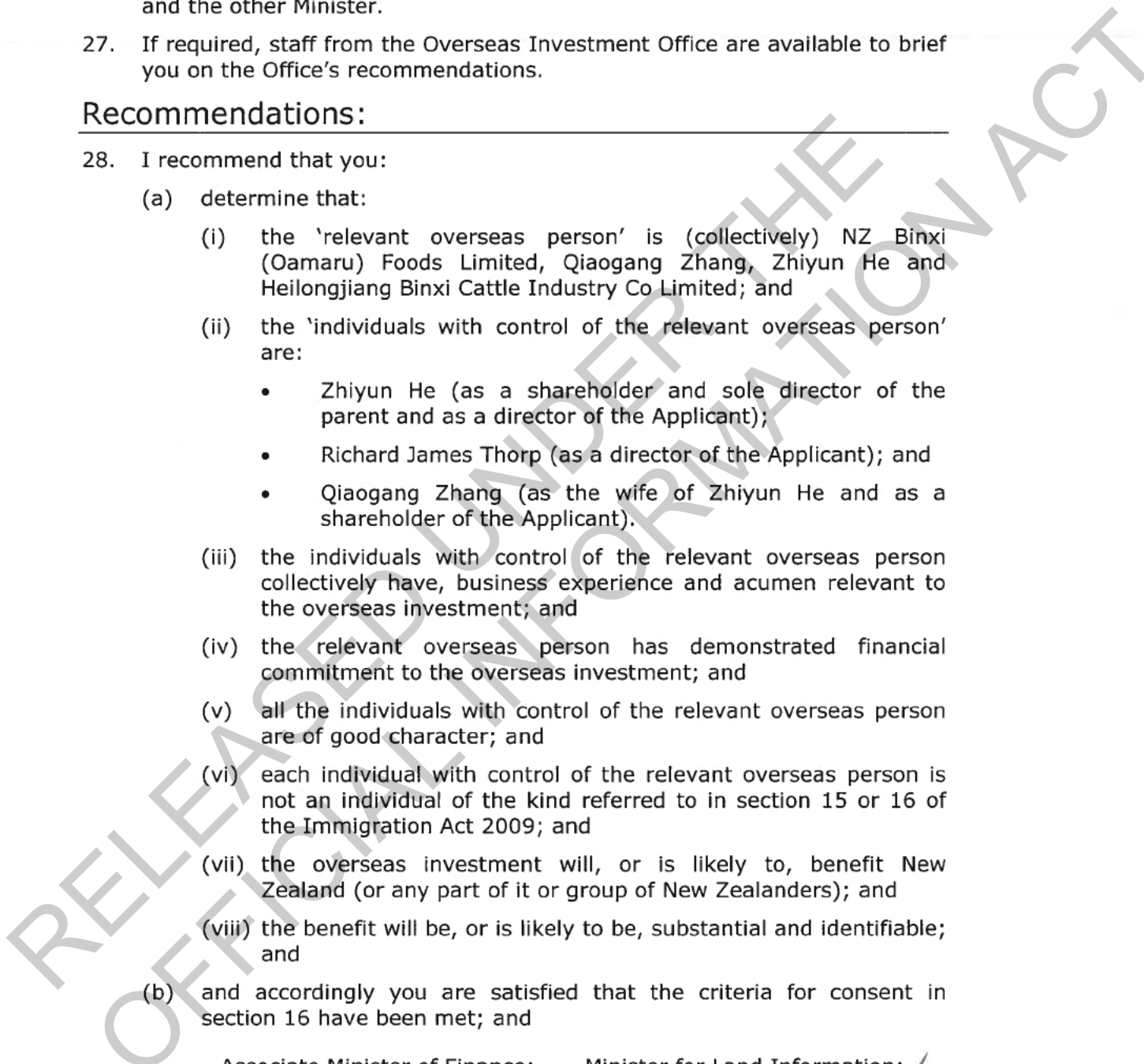
✓

Minister for Land Information:

Satisfied

Not Satisfied

✓



- (c) grant consent to the overseas investment subject to the conditions in Appendix 1 of the Report.

Associate Minister of Finance:

Consent Granted

Consent Declined

Minister for Land Information:

Consent Granted

Consent Declined



Associate Minister of Finance

Date

9/11/16



Minister for Land Information

Date

30/10/16

[s 9(2)(a)]

Jenna Reid – Acting Team Manager
Overseas Investment Office

date:
30/10/16.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Report of the Overseas Investment Office
on the application for consent by
NZ Binxi (Oamaru) Foods Limited
Case: 201610121

Contents

SUMMARY OF KEY INFORMATION	2
APPLICATION	2
APPLICANT.....	2
OUTLINE OF THE INVESTMENT	4
RATIONALE FOR THE INVESTMENT	5
SENSITIVE LAND	5
ASSESSMENT PROCESS.....	5
COUNTERFACTUAL ANALYSIS.....	6
CRITERIA SET OUT IN SECTION 16	6
FACTORS SET OUT IN SECTION 17	9
THIRD PARTY SUBMISSIONS.....	19
APPENDIX 1 – CONDITIONS OF CONSENT	20
APPENDIX 2 – SENSITIVE LAND	23

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Summary of Key Information

Applicant	NZ Binxi (Oamaru) Foods Limited (China, People's Republic of 100.0%)
Vendor	Gordon John Greaney, Lance Phillip Greaney and Wayne Vincent Greaney as trustees of a family trust (New Zealand 100.0%)
Consideration	\$580,000
Recommendation	Grant Consent

Application

- For consent for the Applicant to give effect to an overseas investment in sensitive land, being the acquisition of a freehold interest in approximately 5.3806 hectares of land ("**Target Land**") at 10 Shortland Road, Oamaru North ("**Investment**").

Applicant

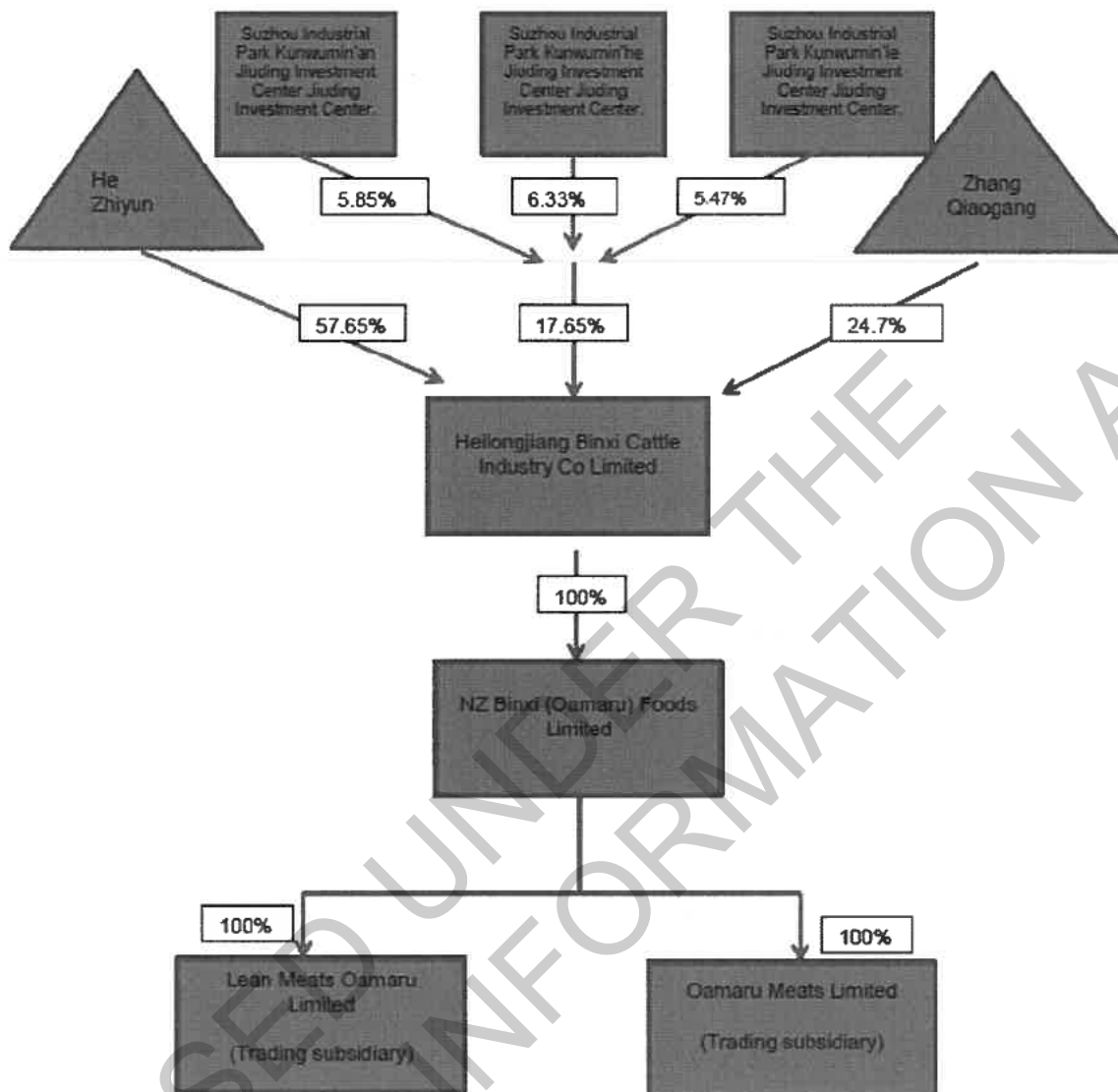
- The applicant is NZ Binxi (Oamaru) Foods Limited ("**Applicant**"), a limited liability company incorporated in New Zealand.
- The Applicant is a 100% subsidiary of Heilongjiang Binxi Cattle Industry Co Limited ("**Parent**"), a company incorporated in the People's Republic of China ("**China**").

Shareholders

- The shareholders of the Parent are:
 - He Zhiyun (57.65%);
 - Zhang Qiaogang (24.70%);
 - Suzhou Industrial Park Kunwumin'an Jiuding Investment Center (5.85%);
 - Suzhou Industrial Park Kunwumin'he Jiuding Investment Center (6.33%); and
 - Suzhou Industrial Park Kunwumin'le Jiuding Investment Center (5.47%).
- He Zhiyun and Zhang Qiaogang are Chinese citizens. Zhang Qiaogang is He Zhiyun's wife.

- [s 9(2)(b)(ii)]

- A structure diagram of the Applicant is set out below.



Directors and management

8. The directors of the Applicant are Mr He and Richard James Thorp. Mr Thorp is also the Chief Operating Officer of the Applicant and responsible for its management and administration.
9. Mr He is the sole director of the Parent.

Previous Applications

10. In 2015, Ministers granted consent for the Applicant to give effect to an overseas investment in sensitive land, being the Applicant's acquisition of rights or interests in up to 100% of the issued share capital of Lean Meats Oamaru Limited ("**Trading Subsidiary**"). Consent was required because the Trading Subsidiary owns sensitive land, being a freehold interest in approximately 6.9940 hectares of land at 7 Redcastle Road, Oamaru ("**Processing Plant Land**").
11. The Applicant now holds 100% of the share capital of the Trading Subsidiary.

Business Activities

12. The Applicant was incorporated for the purpose of holding the Parent's investment in the Trading Subsidiary. The Trading Subsidiary operates a meat processing plant on the Processing Plant Land.
13. The Applicant advises that the Parent operates a modern meat processing enterprise which integrates beef fattening, slaughter processing, delicatessen processing, bioengineering, feed processing and organic fertilizer production and is one of the biggest private enterprises in China.
14. The Applicant has advised that it is a leader in agricultural industrialisation in the Heilongjiang province.
15. The annual value of production of the Parent's group is 1.5 billion RMB with annual profit of 75 million RMB. The Parent has the ability to slaughter over 200,000 head of cattle per year and produces more than 160 chilled beef products. The manufacturing workshop is built to the European Union Health standards and produces products that are exported to the European Union.
16. The Parent supplies more than 12,000 million kilograms of [s 9(2)(b)(ii)] beef patties per year together with many other high quality products which met the HACCP and ISO9001-2000 Food Safety System Certification.

Outline of the Investment*Vendors*

17. The Vendors are (collectively) Gordon John Greaney, Lance Phillip Greaney and Wayne Vincent Greaney as trustees of a family trust. The Vendors are not overseas persons.
18. The Target Land was purchased by the Vendors' late parents. The Vendors have decided to sell the Target Land as none of them have any use for the Target Land.

Transaction

19. Mr He entered into a sale and purchase agreement ("**SPA**") dated 13 July 2015. The SPA is conditional on the Applicant receiving consent to give effect to the transaction by 28 October 2016; this date has been agreed to between the Vendor and the Purchaser as a variation to the SPA.
20. The Vendor has paid a deposit of \$58,000 as a pre-condition to the variation to the SPA.

Applicant's business plan

21. The Target Land is adjacent to the Processing Plant Land. The Target Land contains a single dwelling and an unused woolshed.
22. The Applicant proposes to:
 - (a) refurbish or rebuild the woolshed into a head office from which the Applicant will coordinate its wider business interests, including the Trading Subsidiary;
 - (b) redevelop the dwelling so as to make it available as staff accommodation for employees of the Trading Subsidiary.
23. [s 9(2)(a)]
24. The development of the head office and staff accommodation is expected to take place between 2017 and 2020, with capital expenditure staged over three financial years as per the table below.

Project	2017	2018	2019
Stage 1 – House Renovations	\$90,000		
Stage 2 – House Renovations		\$350,000	
Head Office Construction			\$400,000

25. The Applicant also advises that it intends to extend the existing plant on the Processing Plant Land onto the Target Land, but it has not supplied details or relied on this development in this application.

Rationale for the Investment

26. After acquiring the Target Land, the Applicant will be able to establish a head office and staff housing without using any of the Processing Plant Land. This will allow the Trading Subsidiary to use more of the Processing Plant Land for its meat processing operation.
27. The Applicant believes that by providing accommodation, it will be able to attract the higher calibre of staff that the Trading Subsidiary requires.
28. The Applicant also considers that having an office on the Target Land will be important as the Trading Subsidiary grows and requires more intensive management.
29. [s 9(2)(b)(ii)]
30. The Investment will also allow the Applicant to avoid any planning or resource consent disputes with the current or future residents of the Target Land.

Sensitive Land

31. The Applicant is acquiring sensitive land. See Appendix 2.

Assessment Process

32. We have sought sufficient information from the Applicant for us to be assured about the accuracy of the information supplied and have sought sufficient evidence from the Applicant for us to be able to judge whether the criteria and factors that apply are met.
33. We did not consider it necessary to seek input from third parties in order to verify the information or evidence gathered.
34. We have determined that the:
- (a) **'relevant overseas person'** is (collectively):
 - (i) NZ Binxi (Oamaru) Foods Limited (Applicant);
 - (ii) Heilongjiang Binxi Cattle Industry Co Limited (Parent);
 - (iii) Zhiyun He (shareholder and director); and
 - (iv) Qiaogang Zhang (shareholder); and
 - (b) **'individuals with control of the relevant overseas person'** are
 - (i) Zhiyun He (shareholder and director);
 - (ii) Qiaogang Zhang (shareholder); and
 - (iii) Richard James Thorp (director).

Counterfactual Analysis

35. In *Tiroa E*, the Court made specific reference to the counterfactual assessment to be made. Miller J recognised that the statute’s perspective is forward looking and that, “if it is to isolate the economic benefits attributable to the overseas investment, the counterfactual must similarly be forward looking, requiring that the OIO ask what will happen if the investment is not made”.⁴ Miller J also suggested that the “status quo may serve as the counterfactual under s 17(2)(a) only if Ministers think it likely that in the hands of another owner or owners, the farms will remain in their present state”.⁵
36. To establish the appropriate counterfactual in this case, the OIO has considered what the likely state of affairs would be without the Investment. The Vendors have advised that:
- (a) the Target Land was purchased by the Vendors’ late parents to retire on;
 - (b) following their parents death, the Vendors agreed that none of them wanted to retain the Target Land; and
 - (c) the Vendors decided to sell the Target Land before the Applicant made an offer. If consent is not granted, the Vendors will continue to market the property.
37. The Vendors have also advised that:
- (a) there is no business being conducted on the Target Land, other than small-scale grazing of stock to provide meat for the three Vendors and their families; and
 - (b) there are no jobs or export receipts relating to the Target Land.
38. The Applicant considers that without the Investment the most likely outcome is that:
- (a) an alternative New Zealand purchaser will acquire the Target Land; or
 - (b) the Vendors will retain the Target Land either because there is no alternative purchaser, or because any offers received fail to meet the Vendors’ price expectations; and
 - (c) regardless of whether the Target Land is retained by the Vendors or sold to an alternate purchaser, the Target Land would be owned separately from the Processing Plant Land and would likely continue to be owned as a lifestyle property.
39. From the information provided, the OIO considers that the most likely state of affairs without the Investment is that the Target Land **will be owned as a discrete block of land and, due to its size, would be used as a residential property or lifestyle block, similar to the status quo.**

Criteria set out in section 16

40. s16(1)(a) Overseas Investment Act 2005

<p>Does the relevant overseas person, or (if that person is not an individual) do the individuals with control of the relevant overseas person collectively have business experience and acumen relevant to that overseas investment?</p>	<p>✓</p>
--	----------

⁴ *Tiroa E* at [37].

⁵ *Tiroa E* at [42].

The Court of Appeal has confirmed that the wording of this criterion allows considerable flexibility in determining what business experience and acumen is relevant to a proposed investment. More or less specific expertise may be required depending on the nature of the investment. Business experience and acumen that contributes to an investment's success may be treated as relevant even though the investor may have to supplement its experience and acumen by utilising the experience and acumen of others to ensure the investment succeeds.

In this case, the Investment can be described as the acquisition of approximately 5 hectares of land for the expansion of a meat processing business as well as the development of staff accommodation.

We have reviewed the biographical information provided by the Applicant for each of the individuals with control and note:

- (a) Mr He has owned and operated the Parent since 2005. The Parent conducts the largest meat packing operation in Heilongjiang, China.
- (b) Mr Thorp was the CEO of Lean Meats Limited from 2010 to 2014 and is currently the COO of the Applicant. He has extensive experience in the meat processing industry.
- (c) Mr Thorp also has management experience with other food processing entities.

Having regard to the above, we are satisfied that the individuals with control of the relevant overseas persons collectively have business experience and acumen relevant to the overseas investment.

41. s16(1)(b) Overseas Investment Act 2005

Has the relevant overseas person demonstrated financial commitment to the overseas investment?	✓
---	---

The 'financial commitment' criterion requires the relevant overseas person to have taken actions that demonstrate financial commitment to the Investment (intentions are not sufficient).

In this case, we are satisfied that the relevant overseas person has demonstrated financial commitment by:

- (a) entering into the SPA;
- (b) engaging professional advisers; and
- (c) paying a deposit of \$58,000 as a pre-condition to the variation to the SPA.

42. s16(1)(c) Overseas Investment Act 2005

Is the relevant overseas person, or (if that person is not an individual) are all the individuals with control of the relevant overseas person, of good character?	✓
---	---

The decision maker must be satisfied that the individuals with control are of good character. Section 19 of the Act specifies that the decision-maker must take the following factors into account (without limitation) in assessing whether a person is of good character:

- (a) offences or contraventions of the law by the person, or by any person in which the person has, or had at the time of the offence or contravention, a 25% or more ownership or control interest (whether convicted or not); and

- (b) any other matter that reflects adversely on the person's fitness to have the particular overseas investment.

The Applicant has provided statutory declarations stating that the individuals with control are of good character, have not committed an offence or contravened the law as described above and know of no other matter that reflects adversely on their fitness to have the Investment. We are satisfied that the statutory declarations can be relied on as they comply with the requirements of the Oaths and Declarations Act 1957.

We have also conducted open source background checks on the individuals with control. These checks revealed two matters in respect of the Trading Subsidiary.

Unauthorised waste discharge

In February 2016, the Trading Subsidiary unintentionally discharged waste from the processing plant through a pipe to the foreshore. This was reported by a member of the public. The Applicant advises that once it was advised of the issue the Trading Subsidiary removed the pipe and concreted off a junction point to prevent the issue from reoccurring. The Applicant confirms that the Otago Regional Council followed up to confirm what steps had been taken and has since taken no further action. We consider that this matter does not affect the good character of the individuals with control as the issue was immediately remedied and the Otago Regional Council took no enforcement action.

Employment relations proceedings

In 2015, the Employment Court found that the Trading Subsidiary failed to correctly pay employees for their rest breaks between 1 April 2009 and 1 March 2013; failed to pay an adequate amount for the rest breaks since 1 March 2013 and failed to pay overtime that was due as a result of the failure to pay rest breaks since 1 April 2009. The Applicant confirms that it (and its subsidiaries) are paying all staff correctly for rest breaks and overtime. The Applicant was a minority shareholder in Lean Meats Oamaru Limited until December 2015, and prior to November 2014 had no shareholding at all. We consider that this matter does not affect the good character of the individuals with control of the relevant overseas person as it was a dispute on a technical point of employment law and was resolved prior to the relevant overseas person becoming a majority shareholder.

For the reasons above, we are satisfied that the individuals with control are of good character.

- 43. s16(1)(d) Overseas Investment Act 2005

<p>Is the relevant overseas person, or (if that person is not an individual) is each individual with control of the relevant overseas person, not an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009?</p>	<p>✓</p>
---	----------

Section 15 of the Immigration Act specifies that certain convicted or deported persons are not eligible for a visa or permission to enter or be in New Zealand. Section 16 provides a power to deny a visa or permission to enter New Zealand for other specified reasons, such as if the individual is likely to be a threat or risk to security or public order.

The Applicant has provided statutory declarations stating that none of the individuals with control of the relevant overseas person are individuals of the kind referred to in section 15 or 16 of the Immigration Act 2009. We are satisfied that the statutory declarations can be relied on as they comply with the requirements of the Oaths and Declarations Act 1957. We have also conducted open source background checks on those individuals and found nothing relevant to this criterion.

Therefore, we are satisfied that none of the individuals with control of the relevant overseas person are individuals of the kind referred to in section 15 or 16 of the Immigration Act 2009.

44. s16(1)(e)(ii) Overseas Investment Act 2005

Will the overseas investment benefit, or is it likely to benefit, New Zealand (or any part of it or group of New Zealanders)?	✓
--	---

The proposed overseas investment will or is likely to benefit New Zealand (or any part of it or group of New Zealanders) having regard to the following factors:

The proposed overseas investment will or is likely to benefit New Zealand (or any part of it or group of New Zealanders) having regard to the following factors:

Overseas Investment Act 2005

17(2)(a)(i) – Jobs

17(2)(a)(iv) – Added productivity

17(2)(a)(v) – Additional investment for development purposes

Overseas Investment Regulations 2005

28(e) – Previous investments

28(g) – Enhance the viability of other investments

45. s16(1)(e)(iii) Overseas Investment Act 2005

Will the benefit be, or is the benefit likely to be, substantial and identifiable?	✓
---	---

The benefits set out above are the likely consequence of the Applicant's plans to:

(a) develop the woolshed into a head office; and

(b) redevelop the dwelling into staff accommodation for employees of the Trading Subsidiary.

We are satisfied that the Applicant's acquisition of approximately 5 hectares of land will be of benefit to New Zealand. In particular, the Applicant intends to undertake NZD 840,000 of additional investment for development purposes to create a head office and staff accommodation.

The Target Land is a small parcel of land which is not being used for an economic purpose; the Investment would increase the productivity of the Land and would provide accommodation for the employees of the Trading Subsidiary. The Applicant has also agreed to create one new full-time equivalent job as a condition of consent.

We have reviewed the significance of the above benefits and consider that collectively they are likely to be substantial and identifiable.

Factors Set Out in section 17

46. s17(2)(a)(i) Overseas Investment Act 2005

Will the overseas investment result in, or is it likely to result in, the creation of new job opportunities in New Zealand or the retention of existing jobs in New Zealand that would or might otherwise be lost?	✓
---	---

We consider that the Investment is likely to result in the creation of new job opportunities in New Zealand, being two full time equivalent roles (**FTE**) on a temporary basis in connection with the development works and one FTE to service the accommodation and office premises.

New job opportunities - temporary

The Applicant has claimed that the Investment will result in the temporary addition of 2 FTEs of indirect employment in connection with the development works between 2017 and 2020. We consider that an average of 2 FTEs will be involved in a range of construction tasks over the three year development period.

Without the Investment, we consider that it is unlikely that the ANZP or the Vendor (in the interim if the land is not sold) would carry out similarly extensive work on the land (although it might carry out some work such as refurbishing the house). We therefore consider that additional (but temporary) employment will be created in New Zealand as a result of the Investment.

New job opportunities - permanent

The Applicant has also claimed that the Investment will result in an additional 1 FTE of employment on a permanent basis. The Applicant has submitted that this job(s) will involve "cleaning, cooking, administration, property maintenance and other operational activities". The Applicant has advised that it would be willing to accept a condition of consent requiring it to create one new directly employed FTE.

We consider that neither the ANZP nor the Vendor is likely to establish staff accommodation or office premises on the land. We therefore consider that one additional permanent FTE position is likely to be created.

Job creation under the counterfactual

Without the Investment, the Land is likely to be operated as a lifestyle block, therefore it is unlikely that any new job opportunities will be created in New Zealand. Therefore we are satisfied that this factor has been met.

We recommend that a condition of consent be imposed requiring the Applicant to create one additional FTE by the time the staff accommodation is completed.

47. s17(2)(a)(ii) Overseas Investment Act 2005

Will the overseas investment result in, or is it likely to result in, the introduction into New Zealand of new technology or business skills?	Not Relevant
--	---------------------

The Applicant has advised that this factor is not relevant to the Application. The Investment will not introduce new technology or business skills into New Zealand.

48. s17(2)(a)(iii) Overseas Investment Act 2005

Will the overseas investment result in, or is it likely to result in, increased export receipts for New Zealand exporters?	Not Relevant
---	---------------------

The Applicant has advised that this factor is not relevant to the Application, although it has submitted in broad terms that the investment will help realise the increased export receipts claimed in its overall business case and its 2015 application for consent to purchase 100% of the share capital of the Trading Subsidiary.

49. s17(2)(a)(iv) Overseas Investment Act 2005

Will the overseas investment result in, or is it likely to result in, added market competition, greater efficiency or productivity, or enhanced domestic services, in New Zealand?	✓
---	---

We consider that the Investment is likely to result in greater productivity or efficiency in New Zealand.

Greater efficiency or productivity

Greater efficiency or productivity is an increase in the production of goods or services produced relative to the utilisation of inputs such as capital and labour.

In this Application, greater efficiency or productivity arises in connection with the Target Land and the Processing Plant Land.

Under the counterfactual, the Target Land will continue to be used as a non-economic unit such as a lifestyle block. The value of goods and/or services produced on the land relative to the value of the land will be low. The development of an office building and accommodation on the Target Land will increase the productive capacity of the Target Land. Although the value of inputs will increase, the ratio of inputs (including the Target Land) relative to productive output is likely to decrease (as, over time, the investment in developing an office and staff accommodation is expected to generate a return for the company).

In respect of the Processing Plant Land, the Applicant has advised that developing staff accommodation and office space on the Target Land will free up space on the Processing Plant Land that may otherwise be used for these purposes, allowing more of the Processing Plant Land to be used in the meat processing operation.

For the reasons above, we are satisfied that this factor has been met.

50. s17(2)(a)(v) Overseas Investment Act 2005

Will the overseas investment result in, or is it likely to result in, the introduction into New Zealand of additional investment for development purposes?	✓
---	---

We consider that the Investment is likely to result in the introduction into New Zealand of approximately NZD 840,000 of additional investment for development purposes.

In order to meet the requirements of this factor the investment must be:

- (a) '*additional investment*' - occur after the initial acquisition and additional to the purchase price;
- (b) '*introduced into New Zealand*' - be funded in the form of foreign direct investment (including retained earnings that would otherwise be remitted overseas); and
- (c) for '*development purposes*' - have the effect of increasing the productive capacity of the assets being acquired.

Proposed investment

The Applicants claim, in their business case for the Target Land, that they will invest \$840,000 for development purposes across three financial years. This investment will be staged as described in the table below.

Project	2017	2018	2019
Stage 1 – House Renovations	\$90,000		
Stage 2 – House Renovations		\$350,000	
Head Office Construction			\$400,000

Will the additional investment be introduced into New Zealand?

The Investment will be financed using funds committed to the Applicant by the Parent, and is therefore investment which is introduced into New Zealand.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Are the proposed initiatives for development purposes?

The table below sets out the Applicants' proposed initiatives and our assessment of whether the initiatives are for development purposes.

Proposed initiative	Development cost	Description of initiative	Is the proposed initiative for development purposes?
Staff accommodation	NZD 440,000	The Applicants intend to convert the dwelling on the Target Land into staff accommodation for employees of the Trading Subsidiary.	<p>Developing a dwelling will not typically constitute investment for development purposes.</p> <p>However, in this case, the dwelling is to be staff accommodation and is being built for business, rather than personal, reasons. Staff will pay to stay in the accommodation – the Applicant is essentially developing an accommodation business ancillary to the Trading Subsidiary's meat processing operation.</p> <p>The Applicant expects that the staff accommodation will deliver benefits to the meat processing operation, namely:</p> <ul style="list-style-type: none"> • the ability to attract staff; • staff productivity; • reduced training costs; • increased employee attendance; • improved response times to emergency call outs; • retaining valuable employees; and • increased diversity of the company workforce. <p>On this basis, we consider that the development of the staff accommodation will increase the productive capacity of the Processing Plant Land as well as the Target Land. We therefore consider that the investment is for development purposes.</p>
Office space	NZD 400,000	The Applicants intend to refurbish or rebuild the woolshed into a head office from which the Applicant will coordinate its wider business interests, including the Trading Subsidiary.	<p>Developing office space on the land is an investment for development purposes – using part of the Target Land for office space is an economic use of the land, whereas the land currently is operated as a non-economic unit.</p>
Total	NZD 840,000		

Will there be additional investment for development purposes, compared with what is likely to occur without the Investment?

We have assessed the development of the staff accommodation and office space against what we consider is likely to occur without the Investment. It is our view that an alternative New Zealand purchaser would own the Target Land separately from the Processing Plant Land and would largely use the Target Land for residential or lifestyle purposes.

We consider that it is unlikely that the alternative New Zealand purchaser would introduce additional investment for development purposes to the extent proposed by the Applicant. Therefore we are satisfied that this factor has been met.

51. s17(2)(a)(vi) Overseas Investment Act 2005

Will the overseas investment result in, or is it likely to result in, increased processing in New Zealand of New Zealand's primary products?	Not Relevant
---	---------------------

The Applicant has advised that this factor is not relevant to the Application, although it has submitted in broad terms that the investment will help realise the increased primary processing claimed in its overall business case and its 2015 application for consent to purchase 100% of the share capital of the Trading Subsidiary.

52. s17(2)(b) Overseas Investment Act 2005

Are there, or will there be, adequate mechanisms in place for protecting or enhancing existing areas of significant indigenous vegetation and significant habitats of indigenous fauna?	Not Relevant
--	---------------------

The Applicant has advised that this factor is not relevant to the Application as the Target Land does not contain any areas of significant indigenous vegetation or significant habitats of indigenous fauna.

53. s17(2)(c) Overseas Investment Act 2005

Are there, or will there be, adequate mechanisms in place for protecting or enhancing existing areas of significant habitats of trout, salmon, protected wildlife and game, and providing, protecting or improving walking access to those habitats?	Not Relevant
---	---------------------

The Applicant has advised that this factor is not relevant to the Application as the Target Land does not contain any habitats of trout, salmon, wildlife or game.

54. s17(2)(d) Overseas Investment Act 2005

Are there, or will there be, adequate mechanisms in place for protecting or enhancing historic heritage within the relevant land?	Not Relevant
--	---------------------

The Applicant has advised that this factor is not relevant to the Application as there are no elements of historic heritage relating to the Target Land.

55. s17(2)(e) Overseas Investment Act 2005

Are there, or will there be, adequate mechanisms in place for providing, protecting, or improving walking access over the relevant land, or a relevant part of that land, by the public or any section of the public?	Not Relevant
--	---------------------

The Applicant does not believe that this factor is relevant; although the Target Land adjoins the foreshore, there is a cliff from the Target Land down to the foreshore, so access to the foreshore from the Target Land is hazardous. The Applicant considers that there would be no added benefit from the provision of public access over the Target Land.

56. s17(2)(f) Overseas Investment Act 2005

Has any foreshore, seabed, riverbed, or lakebed been offered to the Crown?	Not Relevant
---	---------------------

The Applicant has advised that this factor is not relevant to the Application as the Target Land does not contain any special land.

57. r28(a) Overseas Investment Regulations 2005

Will the overseas investment result in, or is it likely to result in, other consequential benefits to New Zealand (whether tangible or intangible benefits (such as, for example, additional investments in New Zealand or sponsorship of community projects))?	Not Relevant
--	---------------------

The Applicant has advised that this factor is not relevant to the Application.

58. r28(b) Overseas Investment Regulations 2005

Is the relevant overseas person a key person in a key industry of a country with which New Zealand will, or is likely to, benefit from having improved relations?	Not Relevant
--	---------------------

The Applicant has advised that this factor is not relevant to the Application.

59. r28(c) Overseas Investment Regulations 2005

Will refusal adversely affect, or likely adversely affect, New Zealand's image overseas or its trade or international relations, or result in New Zealand breaching any of its international obligations?	Not Relevant
--	---------------------

The Applicant has advised that this factor is not relevant to the Application.

60. r28(d) Overseas Investment Regulations 2005

Will granting the application for consent result in, or is it likely to result in, the owner of the relevant land undertaking other significant investment in New Zealand?	Not Relevant
---	---------------------

The Applicant does not believe that this factor is relevant to the application.

61. r28(e) Overseas Investment Regulations 2005

Has the relevant overseas person previously undertaken investments that have been, or are, of benefit to New Zealand?	✓
--	---

The Applicant has advised that the relevant overseas person has previously undertaken a series of investments in the Trading Subsidiary as follows:

- (a) NZD\$6,000,000, in November 2014, to acquire 24.92% of the issued share capital of the Trading Subsidiary;
- (b) NZD\$2,000,000 on or before 17 July 2015 as a shareholder loan to the Trading Subsidiary in order for the Trading Subsidiary to repay shareholder advances owing to Lean Meats Ltd;
- (c) NZD\$3,000,000 for a further 25.08% of the issued share capital of the Trading Subsidiary; and
- (d) NZD\$2,000,000 for the remaining 50% of the issued share capital of the Trading Subsidiary.

OIO approval was granted in respect of the latter two investments. As part of the Application process, an offer was made to the Crown to acquire special land that is part of the Processing Plant Land for nil consideration.

The Applicant has submitted that it has undertaken \$232,000 of capital expenditure on the land, being:

- (a) Development of a new financial and export documentation system - \$35,000;
- (b) Installation of a new diesel boiler - \$12,000
- (c) Development of a new inventory system - \$12,000;
- (d) Engagement of professional engineering consultants to plan for new factory developments as part of the Processing Plant Application - \$33,000;
- (e) Development of a farmer supplier communication tool web based application - \$50,000;
- (f) Installation of new office for increased staff - \$5,000; and
- (g) Establishment a new role in managing lean manufacturing - \$85,000.

We consider that the relevant overseas person has previously undertaken investments that have been, or are, of benefit to New Zealand.

62. r28(f) Overseas Investment Regulations 2005

Will the overseas investment give effect to or advance, or is it likely to give effect to or advance, a significant Government policy or strategy?	✗
---	---

This factor is relevant where the proposed investment will or is likely to give effect to, or materially advance, a significant Government policy or strategy. In order to meet the requirements of this factor an Applicant must:

- (a) specifically identify a Central or Local Government policy or strategy;
- (b) demonstrate the policy or strategy is significant to New Zealand (or any part of it or group of New Zealanders); and
- (c) explain how the investment will or is likely to give effect to or materially advance that policy or strategy.

The Applicant has stated that:

- (a) The Investment will support the Government's NZ Inc China strategy. The NZ Inc China Strategy identifies five strategic goals for furthering New Zealand's relationship with China.
- (b) The following two strategic goals under the NZ Inc China strategy will be advanced by the Investment:
 - (i) reaching \$20 billion in two-way goods trade by 2015. This target was reached in the second quarter of 2014. In March 2013 John Key and the Chinese President then revised the trade target up to \$30 billion by 2020; and
 - (ii) increase bilateral investment to levels that reflect the growing commercial relationship with China.

The Applicant also believes that the Investment will advance the strategy directly as follows:

- (a) MFAT has recognised the need to grow the volume of New Zealand companies ready for the China market in order to achieve its two-way goods trade target of \$30 billion by 2020. The Investment will allow the Trading Subsidiary to develop the workers accommodation and head office on the Target Land to a standard that will support / resource the processing plant on the Processing Plant Land to be better resourced to export to the Parent in China.
- (b) The Investment in the Target Land by the Applicant is a direct inward capital investment in Land that will be used by a New Zealand business.

The requirements of this factor have **not** been met because:

- (a) based on the Applicant's current commitments, no goods will be exported from the Target Land, so the Investment will not increase two-way goods trade; and
- (b) the Investment is too small to materially advance any aspect of the NZ Inc China strategy.

r28(g) Overseas Investment Regulations 2005

Will the overseas investment enhance, or is it likely to enhance, the ongoing viability of other overseas investments undertaken by the relevant overseas person?	✓
--	---

The Applicant owns 100% of the issued share capital of the Trading Subsidiary which owns the Processing Plant Land. We consider that the Investment is likely to enhance the ongoing viability of the Applicant's prior investment in the Trading Subsidiary in the following ways:

- (a) by providing accommodation, the Applicant will be better able to attract and retain staff and may improve staff productivity and attendance;
- (b) by building office premises on the Target Land, management staff will be located near to the Processing Plant Land; and
- (c) the Investment will prevent development (including the staff accommodation and office) from being constrained to the Processing Plant Land.

The Applicant also advises that the Investment would allow the Applicant to avoid resource management and planning disputes that may, in time, occur under the counterfactual.

We consider that the factor has been met.

63. r28(h) Overseas Investment Regulations 2005

Will the overseas investment assist, or is it likely to assist, New Zealand to maintain New Zealand control of strategically important infrastructure on sensitive land?	Not Relevant
---	---------------------

The Applicant has advised that this factor is not relevant to the Application. The Land does not contain strategically important infrastructure.

64. r28(i) Overseas Investment Regulations 2005

Will New Zealand's economic interests be adequately promoted by the overseas investment?	x
---	----------

The 'Economic Interests' factor is relevant to all overseas investments in sensitive land. The factor has a broader focus than the economic factors already discussed and concerns the effect of the overseas investment on the wider New Zealand economy.

In assessing this factor, we have considered the four matters referred to in regulation 28(i). These four matters are examples that can be taken into account in assessing whether New Zealand's economic interests are adequately promoted by the overseas investment.

Our overall assessment of this factor is that the overseas investment is unlikely to have any material effect on New Zealand's economic interests. Therefore, **we are not satisfied that the requirements of this factor have been met.**

Matters in regulation 28(i)(i)-(iv)

Whether New Zealand will become a more reliable supplier of primary products in the future

This factor is not relevant as, based on the Applicant's current commitments, the Target Land will not directly be used for the production of primary products.

Whether New Zealand's ability to supply the global economy with a product that forms an important part of New Zealand's export earnings will be less likely to be controlled by a single overseas person or its associates

No – the Investment is unlikely to reduce the concentration of control of the supply of meat products for export.

Whether New Zealand's strategic and security interests are or will be enhanced

Not relevant.

Whether New Zealand's key economic capacity is or will be improved

The Investment is unlikely to have any material impact on New Zealand's key economic capacity.

65. r28(j) Overseas Investment Regulations 2005

To what extent will New Zealanders be, or are likely to be, able to oversee or participate in the overseas investment and any relevant overseas person?	x
--	----------

The 'Oversight and Participation by New Zealanders' factor is relevant to all overseas investments in sensitive land. The factor applies to oversight and participation in the overseas investment or relevant overseas person at an ownership or control level.

In assessing this factor, we have considered the six matters referred to in regulation 28(j). These six matters are examples that can be taken into account in assessing this factor.

In this case, ownership and control of both the Investment and the relevant overseas person reside with overseas persons. Overall, we consider that New Zealanders are unlikely to have any meaningful ownership or participation in the Investment or relevant overseas person.

Whether there is or will be any requirement that 1 or more New Zealanders must be part of a relevant overseas person's governing body

The Applicant will have one New Zealand director, Richard Thorp; however the Applicant has not advised us of any requirement that one or more New Zealanders be part of the relevant overseas person's governing bodies.

Whether a relevant overseas person is or will be incorporated in New Zealand

The Applicant is incorporated in New Zealand. However, the Parent is not incorporated in New Zealand.

Whether a relevant overseas person has or will have its head office or principal place of business in New Zealand

The Applicant (forming part of the relevant overseas person) will have a business presence in New Zealand through its ownership of the meat processing facility. However, the Parent does not have its principal place of business or head offices in New Zealand.

Whether a relevant overseas person is or will be a party to a listing agreement with NZX Limited or any other registered exchange that operates a securities market in New Zealand

The entities making up the relevant overseas person are privately held.

The extent to which New Zealanders have or will have any partial ownership or controlling stake in the overseas investment or relevant overseas person

The Applicant and the relevant overseas person are Chinese owned.

The extent to which ownership or control of the overseas investment or of a relevant overseas person is or will be dispersed amongst a number of non-associated overseas persons

Mr Ye and his wife Ms Zhang together hold more than 80% of the issued share capital in the Parent. The remainder is held by Chinese institutional investors. New Zealanders are unlikely to have any opportunity to participate in the Investment.

Third Party Submissions

66. No third party submissions were received.

Appendix 1 – Conditions of Consent

Interpretation

Any term or expression that is defined in the Overseas Investment Act 2005 and used, but not defined, in this consent has the same meaning as in the Overseas Investment Act 2005.

Act means the Overseas Investment Act 2005.

Application Letter means the application letter dated 24 June 2016.

Business Plan means the business plan set out in Appendix 8 of the Application Letter.

Consent Holder means NZ Binxi (Oamaru) Foods Limited (or Lean Meats Oamaru Limited or Oamaru Meats Limited).

Individuals with Control means:

- (a) the individuals who have, directly or indirectly, a 25% or more ownership or control interest in the Consent Holder or a Parent of the Consent Holder; and
- (b) the members of the governing body of the Consent Holder or a Parent of the Consent Holder; and
- (c) includes, for the avoidance of doubt, the members of the governing body of NZ Binxi (Oamaru) Foods Limited, Heilongjiang Binxi Cattle Industry Co Limited and Zhiyun He.

Inspector means a person appointed by the Regulator to undertake an Inspection on the Regulator's behalf.

Inspection means a visit to a property by an Inspector for the purpose of monitoring these conditions.

Investment means the Land.

Land means approximately 5.3806 hectares of land at 10 Shortland Road, Oamaru North being all of the land contained in Certificate of Title 440536.

OIO means the Overseas Investment Office.

Parent of Consent Holder means a person that has, directly or indirectly, a 25% or more ownership or control interest in the Consent Holder, and includes a person that has, directly or indirectly, a 25% or more ownership or control interest in any Parent of the Consent Holder.

Regulations means the Overseas Investment Regulations 2005.

Settlement Date means the date the acquisition of the Investment took place.

Special Conditions

When the transaction must be given effect to

1. The consent will lapse if the Investment has not been acquired by and transferred to the Consent Holder within 12 months of the date of consent.

Good character

2. The Individuals with Control must:
 - (a) continue to be of good character; and
 - (b) not become an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009.

Resource consents

3. Within 6 months from the date of consent, the Consent Holder must apply for resource consent (**Resource Consent**) to change the zoning of the Target Land to allow the

development of staff accommodation and a dwelling to take place in accordance with the Business Plan.

4. The Consent Holder must use all reasonable commercial endeavours to obtain the resource consent.

Requirement to develop staff accommodation

5. Within 1 year from the date that Resource Consent is granted, the Consent Holder must have begun to redevelop the dwelling on the Target Land into staff accommodation in accordance with its Business Plan.
6. Within 4 years from the date that Resource Consent is granted, the Consent Holder must have completed the redevelopment of the dwelling on the Target Land into staff accommodation in accordance with its Business Plan.

Requirement to develop office premises

7. Within 2 years from the that Resource Consent is granted, the Consent Holder must have begun to develop office premises on the Target Land in accordance with its Business Plan.
8. Within 4 years from the date that Resource Consent is granted, the Consent Holder must have completed the development of office premises in accordance with its Business Plan.

Requirement to create 1 FTE position

9. Within 4 years from the date that Resource Consent is granted, the Consent Holder must have created, and filled, at least one additional full-time equivalent position on a permanent basis in connection with the operation of the staff accommodation. This position must be employed to work on the Target Land and to assist in operating the staff accommodation.

Reporting to the OIO

10. The Consent Holder must notify the OIO in writing as soon as practicable, and no later than twelve months from the date of consent, whether settlement of the acquisition of the Investment took place. If settlement of the acquisition of the Investment did take place, the notice must include:
 - (a) the Settlement Date;
 - (b) final consideration paid (plus GST, if any);
 - (c) the structure by which the acquisition was made, and who acquired the Investment;
 - (d) where applicable, copies of transfer documents and settlement statements; and
 - (e) any other information that would aid the OIO in its function to monitor conditions of consent.
11. The Consent Holder must report in writing annually to the OIO detailing progress of its Business Plan ("Annual Report"), including the Consent Holder's compliance with conditions 3, 4, 5, 6 and 7;

The first Annual Report is due on 30 October 2017 and the final report is due on 30 October 2021 (or such other date as advised by the OIO in writing).

12. The Consent Holder must notify the OIO in writing within 20 working days if:
 - (a) the Consent Holder, any Individual with Control, or any person in which the Consent Holder or any Individual with Control has, or had at the time of the offence or contravention, a 25% or more ownership or control interest, commits an offence or contravenes the law (whether convicted or not); or
 - (b) any Individual with Control:

- (i) ceases to be of good character; or
- (ii) commits an offence or contravenes the law (whether convicted or not); or
- (iii) becomes aware of any other matter that reflects adversely on an Individual with Control's fitness to have the Investment; or
- (iv) becomes an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009;

(c) the Consent Holder:

- (i) ceases to be an overseas person; or
- (ii) disposes of the Investment.

13. If requested in writing by the OIO, the Consent Holder must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- (a) the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the consent was granted; or
- (b) the conditions of this consent.

Inspection for the purposes of monitoring these conditions

14. The Consent Holder must allow an Inspector to conduct an Inspection, provided that the Consent Holder has been given at least two working days' notice of the Inspection.

15. For the purpose of conducting the Inspection, the Consent Holder must allow an Inspector to:

- (a) gather information and provide that information to the OIO;
- (b) enter any building on the Land other than a dwelling;
- (c) remain for as long as is reasonably required to conduct the Inspection;
- (d) conduct surveys, inquiries, tests, and measurements;
- (e) take photographs and video recordings; and
- (f) do all other things that are reasonably necessary to enable an Inspector to carry out an Inspection.

16. The Consent Holder must take all reasonable steps to facilitate an Inspection, including:

- (a) directing its employees or agents to permit an Inspector to conduct an Inspection; and
- (b) being available, or requiring its agents or employees to be available at all reasonable times during an Inspection to facilitate access by an Inspector onto and across the Land, including providing transport across the Land if reasonably required.

17. For the avoidance of doubt:

- (a) an Inspector will not inspect, copy or take documents during an Inspection, unless the Consent Holder or an employee or agent of the Consent Holder agrees to the document being inspected, copied or taken;
- (b) the Consent Holder, its employees, and agents are not required to answer an Inspector's questions, but may do so if they wish.

Appendix 2 – Sensitive Land

1. 10 Shortland Road, Oamaru North

Land Interest	Freehold Interest (approximately 5.3806 hectares)
CTs	440536 (Otago)
Sensitivity	Is more than 5 hectares of non-urban land
	Adjoins the foreshore

RELEASED UNDER THE
OFFICIAL INFORMATION ACT