



How the NZ-EU FTA Supports Investment

Ranked one of the best business environments in the world, New Zealand is progressive, globally connected, and rich with investment potential. New Zealand is a country known for its unique natural beauty, successful businesses, trusted government, and stable, future-focused economy. The possibilities for growth are endless.

On top of this, the Free Trade Agreement (FTA) between New Zealand and the European Union (EU) guarantees certain benefits and provides greater certainty for investors. This factsheet provides some basic information on those benefits. It is intended only as a guide and you should consult the [text of the FTA](#) and engage a relevant expert where necessary.

Benefits of the FTA at a glance



Under the FTA, New Zealand has lifted its screening threshold for overseas investment from the EU from \$100 million to \$200 million, making investment easier for EU investors.

Under the FTA, New Zealand and the EU have agreed:

- that investors will be treated equally regardless of whether they are from New Zealand or the EU, and no worse than they treat investors from other markets;
- to allow the free movement of capital for the purposes of investment liberalisation;
- that they will provide equal protections of intellectual property to nationals from the other market;
- protections for trade secrets, trademarks, plant varieties, and other forms of intellectual property;
- to make regulatory information available online, publish information about upcoming regulatory measures under development, and run public consultations on planned regulations; and,

- the EU won't require that people of a particular nationality be appointed to senior management positions in the EU. For New Zealand, the Companies Act is preserved. New Zealand will require any established company to have one member of the Board of Directors that is either a New Zealand resident or national.

This is only a partial list. A full list, plus some important caveats and exemptions, can be found in the [text of the FTA](#).



Investors may also be interested to know that the FTA contains provisions making it easier for business people to travel and work in New Zealand and the EU. For more information, please refer to our Plain Language Guide on the movement of people.

On top of this, New Zealand and the EU have also agreed that:

- they won't limit the number of enterprises that can carry out a specific economic activity, e.g. no European country can limit the number of education providers;
- they won't limit the value of transactions or assets;
- they won't impose economic needs tests;
- they won't limit the number of employees that a business can hire;
- they won't require companies to hire a certain number of locals;
- they won't require companies to have a certain number of locals appointed to senior management positions or boards of directors;
- they won't require companies to purchase locally made products or make goods with a certain percentage of local inputs;
- they won't require the transfer of technology to local people or businesses;
- they won't require a business to set up a local HQ; and,
- they won't require a business to undertake research and development in their markets.

This is only a partial list. A full list, as well as some important caveats and exemptions, can be found in the [text of the FTA](#).



If your company encounters any of the above barriers in the EU, please contact us (by emailing exports@mfat.govt.nz) as it may constitute a barrier to trade.

Benefits for certain sectors



The FTA also facilitates the movement of data between New Zealand and the EU. Neither are allowed to require data to be processed using local computing facilities or that data must be kept locally. Neither New Zealand or the EU can force the transfer of, or access to, source code as a condition of the import, export, distribution, sale or use of software.



The FTA protects geographic indicators for some wines, spirits, and foods. Where a geographic indicator has been registered, only products from certain places, often made using specific quality controls, can use certain names. For example, under the FTA champagne can only come from France, and Martinborough wine must come from New Zealand.

Exceptions

There are a few areas that are excepted from this part of the FTA, including air services, audio-visual, and maritime cabotage. Some of the benefits above may be limited in certain ways for other industries. For more details, please refer to the [text of the FTA](#) for more information.



Where to go to find further information

This is not a comprehensive guide and there are exemptions and further provisions for many of the commitments listed above. For further information please refer to the [text of the FTA](#) or contact the Ministry of Foreign Affairs and Trade at: exports@mfat.govt.nz

If you are an investor and want to know more about what New Zealand has to offer, you can [get in touch](#) with Invest New Zealand or visit their [website](#). Investors can also view live New Zealand investment opportunities by registering their interest for Invest New Zealand's [Live Deals](#) platform.

New Zealand offers an unbeatable balance of business and lifestyle, making it the perfect place to both invest and live. New Zealand welcomes experienced, skilled investors to contribute to the growth of New Zealand's economy, via the Active Investor Plus visa. More information can be found [here](#).