National Interest Analysis – Technology Safeguards Agreement

1 Executive summary

Space is of immense strategic importance around the world. Globally, the space economy is big business and becoming more and more pervasive. The space industry that enables the use of space is growing and changing rapidly. New Zealand is increasingly becoming a space economy, and our space industry is emerging, with one main launch operator, Rocket Lab, intending to provide commercial launch services from 2017.

The establishment of a New Zealand-based space industry is strongly aligned with the Government's Business Growth Agenda. It presents a strategic opportunity for New Zealand to: design, build and have satellites in space; build our capacity and expertise in space activities; and apply associated advanced technologies to a range of downstream applications within the wider space economy. Additional opportunities would exist for local industries/suppliers to leverage off the reputational benefits, as well as the potential to attract off-shore investment into New Zealand. The establishment of a New Zealand-based space industry would also generate employment, improvements to local infrastructure and the potential for space tourism.

To facilitate the development of a New Zealand-based space industry that is internationally credible, well-connected and competitive the Government is putting in place a regulatory regime and participating in an international treaty framework, of which the Technology Safeguards Agreement (the "TSA") is a part.

The TSA is a bilateral treaty between the New Zealand Government and the United States (US) Government to enable the use and secure management of sensitive US space launch and satellite technology in New Zealand. To achieve this the TSA places controls on access to, disclosure of and procedures for safeguarding US launch vehicles, spacecraft, related equipment, technical data[1] and areas containing these items during launch activities[2] in New Zealand. The US has entered into similar agreements with other countries.

The TSA will be accompanied by a side arrangement that outlines the circumstances in which New Zealand agencies would need to exercise specific powers and functions in relation to certain Articles of the TSA and procedures to protect US technology in these circumstances.

[1] Article 2(7) "means information, in any form including in oral form, other than information in the public domain, that is required for the design, engineering, development, production, processing, manufacture, use, operation, overhaul, repair, maintenance, modification, enhancement or modernization of U.S. Launch Vehicles, U.S. Spacecraft and/or Related Equipment. Such information includes, but is not limited to, information in the form of blueprints, drawings, photographs, video materials, plans, instructions, computer software, and documentation".

[2] Article 2(2) "means all actions associated with the launching from New Zealand of U.S Spacecraft, Foreign Spacecraft or N.Z. Spacecraft by means of U.S. Launch Vehicles, from the initial technical discussions to the launch site surveys, fit checks, spacecraft encapsulation, mating/integration, to the launch and return of the Related Equipment and Technical Data from New Zealand to the United States of America or other location approved by the Government of the United States of America and, in the event of a cancelled or failed launch, the return of U.S. Launch Vehicles, U.S. Spacecraft, Related Equipment, Technical Data and/or any recovered and identified components and/or debris of U.S. Launch Vehicles, U.S. Spacecraft and/or Related Equipment to the United States of America or other location approved by the Government of the United States of America".

The TSA is consistent with New Zealand's firm commitment to countering the proliferation of weapons of mass destruction and their means of delivery. Space launch vehicles have an inherent dual-use capability as the delivery systems for weapons of mass destruction, and the TSA would demonstrate that we are willing to put controls in place to safeguard sensitive technologies from proliferation.

In the long term, the TSA will be implemented by an appropriate regulatory regime for space activities. Work on legislation is underway and is anticipated to be introduced following completion of Parliamentary treaty examination (PTE) of the TSA, in July. In the immediate future New Zealand can implement the TSA through a contract between the Crown and Rocket Lab.

The TSA is not Rocket Lab specific. It will enable other entities with the same circumstances to operate in New Zealand.

2 Nature and timing of the proposed treaty action

The "Agreement between The Government of the United States of America and the Government of New Zealand on Technology Safeguards associated with United States participation in Space Launches from New Zealand" (the "TSA") is a treaty to enable the use and secure management of sensitive US space launch and satellite technology in New Zealand.

The TSA will be accompanied by an "Arrangement between the Government of the United States of America and the Government of New Zealand relating to the Agreement between The Government of the United States of America and the Government of New Zealand on Technology Safeguards associated with United States participation in Space Launches from New Zealand" (the "Side-Arrangement") which outlines the circumstances in which New Zealand agencies would need to exercise specific powers in relation to certain Articles of the TSA and procedures to protect US technology in these circumstances.

The Minister of Foreign Affairs has determined that the TSA is a major bilateral treaty of particular significance and will, therefore, be subject to PTE.

The TSA would enter into force upon an exchange of letters between the Parties indicating they have completed all domestic requirements necessary for the TSA's entry into force (Article 10(1)). In respect of New Zealand that would be following completion of the Parliamentary treaty examination process and the signing of a contract between the Crown and Rocket Lab to ensure compliance by Rocket Lab and its associated third parties with the provisions of the TSA.

In the long term, the TSA will be implemented by an appropriate regulatory regime for space activities. Work on legislation is underway and is anticipated to be introduced following completion of Parliamentary treaty examination (PTE) of the TSA. In the immediate future New Zealand can implement the TSA through a contract between the Crown and Rocket Lab.

Application to Tokelau

It is not proposed that the TSA be extended to Tokelau as officials do not consider it to be of relevance to Tokelau at this time.

3 Reasons for New Zealand becoming Party to the Treaty

Space is of immense strategic importance around the world. Satellites enable the provision of critical services and infrastructure including banking, transportation, electricity, telecommunications, navigation, remote sensing (with applications ranging from agriculture and land-use monitoring to disaster management and climate change) and national security. Globally, the space economy is big business and becoming more and more pervasive. The space industry that enables the use of space is growing and changing rapidly.

New Zealand is also increasingly taking advantage of the services possible thanks to the use of space. We also have an emerging space industry, with one main launch operator, Rocket Lab, intending to provide commercial launch services from 2017. The increasing demand for small satellite launches presents opportunities for New Zealand because of our secure environment, and a geographic location that enables the achievement of a wide range of orbits, and with minimal interference to air traffic and shipping.

To facilitate the development of a New Zealand-based space industry that is internationally credible, well-connected and competitive the Government is putting in place a regulatory regime and participating in an international treaty framework of which the TSA is a part.

There is no precedent in New Zealand for this type of treaty, but the US has a number of similar agreements in place with other countries. Without the TSA, New Zealand based space operators will not be given access to the US technology they require, or to operate it from New Zealand. Similarly, US payloads will not be approved for transfer to New Zealand pending their launch. The TSA is not Rocket Lab specific. It will enable other entities with the same circumstances to operate in New Zealand.

This proposal is strongly aligned with the Government's Business Growth Agenda which includes actions to develop New Zealand as a hub for high-value, knowledge-intensive businesses which create value through innovation (including R&D). Key priority areas within the Building Innovation component of the BGA that are directly relevant to this proposal include: encouraging business innovation; attracting multi-national R&D investment in New Zealand; and adopting regulations that support innovative new products and services.

Security is also a key motivator behind the TSA. The technology associated with space launch vehicles is sensitive. While space launch vehicles facilitate the peaceful use of space, the same technology can be used for ballistic missiles carrying conventional, and more particularly nuclear, chemical or biological weapons; known as Weapons of Mass Destruction (WMD).

The TSA would also be consistent with New Zealand's firm commitment to countering the proliferation of weapons of mass destruction and their means of delivery. It would demonstrate that we are willing to put controls in place to safeguard sensitive technology from proliferation. This would be in keeping with our broader counter proliferation efforts. New Zealand and the US are members of the Missile Technology Control Regime (MTCR). The MTCR is an informal and voluntary association of countries which share the goals of non-proliferation of unmanned delivery systems capable of delivering WMD and put in place national export licensing efforts aimed at preventing their proliferation.

4 Advantages and disadvantages to New Zealand of the Treaty entering into force and not entering into force for New Zealand

Advantages

The key advantage of the TSA entering in force for New Zealand is that it will facilitate the establishment of a commercial space launch operation in New Zealand and enable the importation of US satellites; which are a significant market.

This would generate direct benefits to the New Zealand economy. For example, if Rocket Lab is successful it is estimated that its operations will contribute between $400 and $1,150 million over 20 years in value added to the economy in the form of direct, indirect and induced impacts.

It will also more widely facilitate the establishment of a space industry in New Zealand and grow our wider space economy. It offers opportunities to: design, build and have satellites in space; build our capacity and expertise in space activities; and apply associated advanced technologies (e.g. space propulsion, guidance and navigation, and carbon composites) to a range of downstream applications that would feed into other New Zealand high technology businesses.

The high profile and high-tech nature of the space launch business will provide additional opportunities for local industries/suppliers to leverage off the reputational benefits, as well as the potential to attract off-shore investment into New Zealand. The TSA will strengthen the bilateral relationship with the US, demonstrating that New Zealand is a secure destination for sensitive US technology. This opens a pathway for US businesses involved in the space industry to consider New Zealand as a business location.

Operations will also be of benefit to the community. For example, the establishment of launch operations from the Mahia peninsula will generate regional benefits, including employment, improvements to local infrastructure and the potential for space tourism.

New Zealand has a long-standing reputation for supporting international arms control and counter proliferation. The TSA will reinforce that profile by demonstrating that we have taken a responsible course of action to secure sensitive technology and prevent its proliferation.

The disadvantages to New Zealand if the TSA does not enter into force are that New Zealand companies (including Rocket Lab) would not be able to access sensitive US space launch and satellite technology. Such a move would result in lost economic benefits to New Zealand arising from the development, production and operations of the launch service. For example, if Rocket Lab could not access US space launch and satellite technology it will be forced to move its operations off-shore at considerable financial loss.

Disadvantages

There are few disadvantages arising from the TSA entering into force. These are primarily related to ensuring the security of US technology. This is achieved through the oversight, monitoring and implementation of technology transfer control plans[3] (TTCPs). In the Rocket Lab instance this is achieved through the measures outlined in Section 6 below and through Rocket Lab's TTCP. In addition to the measures above, New Zealand

[3] A TTCP is a required plan which establishes policies, procedures, controls and processes for maintaining compliance with US International Traffic in Arms Regulations (ITAR) and the TSA.

security agencies will also manage these risks within the regular purview of their responsibilities.

There will be some additional overhead costs to entities which are required to implement TTCP/TSA measures. However, in the first instance, these are a necessary requirement of being able to access US technology and use it in New Zealand.

In the event a launch was determined by New Zealand to be inconsistent with its laws, regulations and policies, the TSA includes an express provision (Article 3(7)) whereby the launch could be prevented. Article 3(6) of the TSA requires the US to provide a written statement of the function of each US spacecraft with sufficient information to be able to make a determination under Article 3 (7).

The permitting process for launches and payloads envisaged in the proposed space legislation will be robust. It will consider security and national interests, as well consistency with domestic legislation and international obligations. A proposed launch or payload that was determined to be inconsistent with our laws or polices (such as the New Zealand Nuclear Free Zone, Disarmament, and Arms Control Act 1987) can be declined. In the short term, this approval process will be managed through contractual arrangements with Rocket Lab.

The provision in Article 3 (1) to consult with the US government over an indigenous space launch vehicle development in New Zealand could potentially influence the development of launch vehicle technology. However, given the sensitivity of such technology and our commitment to responsible use and non-proliferation, it would be prudent to consult on such matters.

5 Legal obligations which would be imposed on New Zealand by the treaty action, the position in respect of reservations to the Treaty, and an outline of any dispute settlement mechanisms

Article 3 contains **general provisions**. Article 3 (1) contains an assurance that New Zealand is not currently developing or acquiring any MTCR Category I rocket systems, and will not develop or acquire such systems in the future without prior consultation with the US Government. This provision is to ensure consultation over any indigenous space launch vehicle development in New Zealand, given the sensitivities over the potential for such technology to be used as ballistic missile delivery systems for weapons of mass destruction.

The New Zealand Government is obligated not to permit the launch from New Zealand of foreign spacecraft owned or operated by countries which, at the time of launch, are subject to United Nations Security Council sanctions, or governments determined by either of the Parties to have repeatedly provided support for acts of international terrorism, or determined by either Party to be contrary to its laws, regulations or policies. The latter provision provides for New Zealand to decline launches of foreign satellites which are not in our national interest (Article 3(2) (a)).

The New Zealand Government is also obligated not to permit significant inputs of equipment, manpower or funds into facilities of NZ Licensees[4] from countries that are not MTCR members, unless otherwise mutually determined with the US Government (Article 3(2)(b)).

[4] Article 2(3) "means any persons who are identified on the relevant U.S. issued export license or licenses and who are authorized by the Government of New Zealand to carry out Launch Activities."

The New Zealand Government must ensure that no NZ Representatives[5] take possession of equipment or technology imported to support launch activities, except as otherwise mutually determined (Article 3(2)(c)). Other Articles of the TSA and the Side-Arrangement elaborate the circumstances in which NZ agencies may be required to take possession of such items and procedures to protect such technology in these circumstances.

The New Zealand Government will also be obligated to take all necessary measures to ensure that projects related to launch activities, or items imported for use in these projects, are not used for other purposes, except as otherwise agreed with the Government of the exporting country (Article 3(2)(d)).

Article 3(2)(e) also requires the New Zealand Government to conclude legally binding agreements equivalent to the TSA with other governments whose entities are involved in launch activities in New Zealand.

Article 3(5) outlines the New Zealand Government's intention to approve import and export licenses for goods and technology necessary to conduct launch activities, subject to consistency with New Zealand laws, regulations and policies. This provides for New Zealand's export controls regime for strategic goods under the Customs and Excise Act 1996 to be fully implemented, i.e. exports would need to be considered against the regime's assessment criteria[6].

Article 3(7) also states that the New Zealand Government's intention to approve the launch of US Spacecraft from New Zealand territory, assuming consistency with its laws, regulations and policies. This will enable New Zealand to decline the launch of a US spacecraft if that would be in contravention of our laws, such as the New Zealand Nuclear Free Zone, Disarmament, and Arms Control Act 1987, or where a launch was not in the national interest.

Article 3(8) requires the development and implementation of arrangements in relation to the TSA, including around the possession of equipment, disclosure of information, access controls, border controls and launch failure. This facilitates the current Side-Arrangement to preserve New Zealand agencies' existing powers and functions in relation to those Articles, and any future arrangements that may be necessary.

Article 4 concerns **the control of US launch vehicles, spacecraft and related equipment and technology.** Under Article 4(2) the New Zealand Government is obligated to take all necessary measures to prevent unescorted or unmonitored access to these items and technologies and the segregated areas for such items, except as otherwise provided in the TSA or authorised in advance by the US Government.

Under Article 4(3) the Parties are both obligated to take all necessary measures to ensure that US Participants[7] retain control of US launch vehicles, spacecraft and related

[5] Article 2(4) defines New Zealand Representatives as "any persons, other than U.S. Participants, whether nationals of New Zealand or other nationals, who have or could have access to U.S. Launch Vehicles, U.S. Spacecraft, Related Equipment or Technical Data, and who are subject to the jurisdiction and/or control of New Zealand." This could include NZ officials, or in the case of Rocket Lab, Rocket Lab NZ employees.

[6] The assessment criteria are available on the Ministry of Foreign Affairs and Trade website at: https://mfat.govt.nz/en/trade/trading-weapons-and-controlled-chemicals/how-your-application-is-assessed/#criteria

[7] Article 2(11) defines US Participants as "any U.S. Licensees, their contractors, subcontractors, employees, or agents, whether citizens of the United States of America or other citizens, or any Government of the United States of America officials or contractors, subcontractors, employees, or agents, whether citizens of the United States of America or other citizens, who, in connection with the issueance of a U.S. export license, participate in Launch Activities, and are subject to the jurisdiction and/or control

equipment and technology, unless otherwise authorised by the US Government. The New Zealand Government is therefore required to make available segregated areas for such items and technologies and to permit persons authorised by the US Government to control those areas. This system is already in place at Rocket Lab for lesser controlled US items and technology and is similarly employed by other New Zealand companies where required to do so by US export controls conditions.

Article 4(4) requires both Parties to ensure that all persons under their jurisdiction shall adhere to the procedures specified in the TSA, by means of technology transfer control plans (in the New Zealand Government's case, New Zealand Representatives).

Both Governments are to use their best efforts to ensure continuity of licenses for the completion of launch activities under the TSA, but may revoke or suspend such licenses if the TSA or a technology transfer control plan is violated. In such a case, there is an obligation to promptly notify the other Party (Article 4(5) and (6)).

Article 5 addresses **the disclosure and use of certain information and items**. The New Zealand Government is prohibited from, and required to prohibit NZ Representatives from, retransferring[8] any US launch vehicles, US spacecraft, related equipment or technical data without written approval (Article 5(2)). The New Zealand Government is also obliged to ensure that US technical data and items are only used by New Zealand Representatives for the purposes specified and, under Article 5(2), to ensure that New Zealand Representatives provide the New Zealand Government with information on the controlled nature of the items transferred. This is to ensure the New Zealand authorities have sufficient awareness of the quantity, location and use of US technical data and items.

Article 5(4) requires any classified information of the other Government obtained under the Agreement to be handled and safeguarded in accordance with its applicable laws and regulations and the Exchange of Notes between the US Government and the Government of New Zealand relating to the safeguarding of classified information, of 17 November 1961, as amended.

Article 6 contains obligations concerning **access controls**. Under Article 6(1), both Parties are required to oversee and monitor implementation of technology transfer control plans[9] (TTCPs), and the New Zealand Government is required to facilitate and permit oversight, inspection and monitoring of launch activities by the US Government. Both Parties are to ensure that only persons authorised by the US Government control, on a 24 hour basis, access to US launch vehicles, spacecraft and related equipment and technology and access to segregated areas. The US Government is to ensure that New Zealand Representatives have access for the purpose of conducting official or other duties, in accordance with procedures to be mutually determined by the Parties to protect US technology (Article 6(2)), which are elaborated in the Side-Arrangement. The specifications and technical characteristics of any monitoring devices are to be coordinated with the New Zealand Government (Article 6(3)).

The New Zealand Government must ensure that the US licensees control of, access to and monitoring of the segregated areas and launch vehicles are not denied or interrupted, except in exigent circumstances (which are elaborated in the Side

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of the United States of America." This could be US officials, or in the case of Rocket Lab, Rocket Lab US employees.

[8] Re-transfer can involve the transfer by export, sale, lease, release, assignment, loan, conveyance or any other means to any Government, entity, international organization, or person

[9] A TTCP is a required plan which establishes policies, procedures, controls and processes for maintaining compliance with US International Traffic in Arms Regulations (ITAR) and the TSA.

Arrangement) and must give timely notice of any operations that may conflict with the access control and observation requirements of the TSA (Article 6(4)). It must also ensure that all NZ Representatives display ID badges while performing duties associated with launch activities (Article 6(5)).

Access to areas that are not segregated areas under the control of US Participants is to be controlled by the New Zealand Government in accordance with the TSA. The Parties are to ensure that in these areas any US launch vehicles, US spacecraft and related equipment are accompanied and monitored by US Participants (Article 6(6)).

Article 7 concerns **processing procedures**. These include requirements with respect to the transportation of US launch vehicles, US spacecraft, related equipment and technical data (Article 7(1)), including requirements that this must be authorised in advance by the US Government and that these items in sealed packaging must not be opened in New Zealand territory (including during border processing) except in circumstances to be mutually determined by the Parties, which are outlined in the Side-Arrangement. The New Zealand Government is obligated to use its best efforts to facilitate the entry of US Participants into New Zealand for launch activities.

Article 7(2) requires the New Zealand Government to ensure that NZ Representatives are under the supervision of US Participants during preparations (such as unloading vehicles) at New Zealand facilities. The Parties are to ensure that only US Participants can add propellant to US launch craft and spacecraft, except where authorised by the US Government.

Post launch, the Parties must ensure that only US Participants are permitted to dismantle equipment and that such equipment and technical data is returned to the US or destroyed in a manner approved by the US Government (Article 7(3)).

Article 8 deals with **launch delay, cancellation and failure**. For launch delay or cancellation there is an obligation to ensure US Participants are present to monitor and accompany the US space vehicle and US spacecraft back to a preparation area for subsequent relaunch or return to the US (Articles 8(1) and (2)).

In the event of launch failure (Article 8(3)), the New Zealand Government is obligated to permit US Participants to assist in the search for and recovery of US launch vehicles and US spacecraft. There is an obligation to establish a debris recover site with access controls as per Article 6 and to return debris to US Participants without such items or debris being studied or photographed, except in circumstances to be mutually determined. The Side –Arrangement deals with situations where it may be necessary for Accident Investigation Authorities to study and photograph material or temporarily retain material where this is necessary to fulfil their statutory functions for the purposes of safety investigations or criminal prosecutions.

Outline of dispute settlement mechanisms

Article 9(2) of the TSA provides that any disputes regarding the interpretation and implementation of the TSA are to be resolved by consultation through diplomatic channels.

6 Measures which the Government could or should adopt to implement the treaty action, including specific reference to implementing legislation

New measures required to implement the TSA's obligations

The TSA imposes obligations on New Zealand in relation to the use and secure management of space technologies. In the long term, New Zealand will meet its proposed obligations under a comprehensive regulatory regime for space objects (covering both launch vehicles and payload) and high altitude activities. The regime will be established by legislation and is designed to facilitate the development of a safe and secure space industry in New Zealand while protecting New Zealand's national interests. The legislation will also implement New Zealand's international obligations, including under the UN Space Treaties and will contain provisions designed to strengthen the implementation of the TSA. An overview is provided in Table One, overleaf.

How the TSA will be implemented ahead of legislation being passed

In the short term, New Zealand can implement its proposed obligations to the US Government by imposing corresponding contractual obligations on Rocket Lab, providing appropriate assurances to the US Government, and through existing regulatory regimes, such as the Crimes Act 1961 and Customs and Excise Act 1996. Other obligations under the TSA can be met administratively.

The contract with Rocket Lab will impose obligations on Rocket Lab that mirror the obligations imposed on NZ under the TSA. These will be supported by Rocket Lab granting the Government a right to inspect its premises to ensure it is complying with its obligations. In addition, if Rocket Lab does not comply with the contract, the Government will have the ability to prevent it from undertaking any launches or any particular launches.

How the proposal will be given effect to, including legislative timetables

The Government intends to introduce legislation that will implement the TSA obligations, following the completion of Parliamentary treaty examination process. This legislation has a category 2 priority on the 2016 Legislation Programme.

Plans for notifying affected parties of what they need to do to comply with any new requirements

The Ministry of Business Innovation and Employment is putting together a stakeholder engagement strategy with a view to engaging with any interested parties.

How the legislation would impact on existing regulation,

The proposed legislation does not impact on existing legislation. The Ministry of Business Innovation and Employment is working closely with the Ministry of Transport during the drafting process to ensure that the proposed legislation has an appropriate interface with the civil aviation regime.

The proposed legislation may require a small number of consequential amendments to existing legislation (e.g. to be reflected in the Search and Surveillance Act 2012, the Summary Proceedings Act 1957).

Table One: *Legislative implementation of the TSA's obligations*

Article	Summary of obligation	Implementation
General Provisions Article III(1)	NZG assures the USG that NZ is not currently developing any MCTR Category 1 rocket system programmes and will not develop without prior consultation with USG.	The proposed legislation will contain a provision that implements this requirement. The Government is confident it can give the US an assurance now that these systems are not currently being developed or acquired current but this may not be the case in the future in the absence of a statutory provision.
Article III(2)(a)	NZG will not permit launch of foreign spacecraft by countries subject to UNSC sanctions or that are repeat terrorist supporters or launches determined by NZG or USG to be contrary to their interests.	The proposed legislation will establish a licencing regime and permitting regimes for launches, payload and high altitude activities. The responsible Minister will have the ability to decline licences and permits where a launch is not in their national interests or inconsistent with NZ's international obligations.
Article III(2)(b)	NZG will not permit "significant" inputs of equipment, technology, funds, manpower from non-MCTR countries without mutual agreement.	Where relevant, this requirement will be imposed as a licence condition under the proposed licencing regime.
Article III(2)(c)	NZG will ensure that no NZ Representatives "take possession" of any equipment or technology unless otherwise mutually determined with the USG.	As above for Article III(2)(b).
Article III(2)(d)	NZG will take all necessary measures to ensure that projects and items imported for use in these projects are not used for other purposes, except as agreed by NZG and the exporting country.	As above for Article III(2)(b).
Article III(7)	NZG to approve US spacecraft launches where consistent with NZ law	This obligation will be implemented through the proposed licencing regime in the proposed legislation.

Article	Summary of obligation	Implementation
Control of US Launch Vehicles, US Spacecraft, Related Equipment and Technical Data Article IV(2)	NZG must prevent unmonitored access by NZ Representatives	The proposed legislation will contain provisions modelled on the Civil Aviation Act. Unmonitored access will not be permitted in these areas. This will be supported by offence provisions for unauthorised access.
Article IV(3)	NZG must make available segregated areas for US launch vehicles and spacecraft and permit persons authorized by the US to control access to these areas.	The proposed legislation will contain provisions modelled on the Civil Aviation Act for security and enhanced security areas with access controls.
Article IV(4)	NZG must ensure NZ representatives comply with TTCP	Where relevant, this will be imposed as a licence condition under the proposed licencing regime.
Article IV(6)	NZ to ensure continuity of licences/agreements	This obligation will be implemented through the proposed licencing regime in the proposed legislation
Disclosure and use of Certain Information and Items Article V(2)	NZG must not “use” and prohibit “use” of US spacecraft, equipment, data by NZ Representatives except as per licences	Where relevant, this requirement will be imposed as a licence condition under the proposed licencing regime.
Article V(2)	NZG must not “retransfer” and prohibit “retransfer” of US spacecraft, equipment, data by NZ Representatives without USG approval.	The proposed legislation will contain new offences designed to protect sensitive technology. This will be supplemented by licence conditions in licences that involve the use of US technology designed to prevent a retransfer of US equipment and data.

Article	Summary of obligation	Implementation
Article V(3)	NZG must ensure NZ licensees provide NZG with necessary information.	The requirement to provide information will be a standard condition of licences under the proposed legislation. Enforcement officers will also have information gathering powers.
Access Controls Article VI(1)	NZG must permit and facilitate oversight and monitoring of Launch Activities by USG.	Where relevant, this will be imposed as a licence condition under the proposed licencing regime
Article VI(2)	NZG must ensure that only people authorised by USG control access to launch sites, equipment, data etc in segregated areas.	As above for Article VI(1)
Article VI(3)	NZG must ensure USG officials' unimpeded access to launch sites/segregated areas etc at all times.	As above for Article VI(1)
Article VI(4)	NZG must ensure NZ Representatives wear ID badges.	The proposed legislation will impose requirements for ID badges in security and enhanced security areas. Enforcement officers will have powers to inspect to ensure these requirements are complied with. It will also be an offence for a launch company not to have a system for enforcing these requirements.
Article VI(5)	NZG must control access to non-segregated areas must be controlled in accordance with TSA.	As above. The proposed legislation will contain provisions modelled on the Civil Aviation Act for security and enhanced security areas with access controls. These will be supported by offence provisions for unauthorised access.
Processing Procedures Article VII(2)(a)	NZG may only permit NZ Representatives to participate in unloading vehicles with US participant supervision.	Where relevant this will be imposed as a licence condition under the proposed licencing regime.

Article	Summary of obligation	Implementation
Article VII(2)(b)	NZG must permit only US Participants to add propellant unless NZ Representatives are specifically authorised by the US Government.	As above for Article VII(2)(a)
Launch Delay, Cancellation or Failure Article VIII(1)	NZG must ensure US Participants monitor access to spacecraft, equipment, data during any launch delay.	As above for Article VII(2)(a)
Article VIII(2)	NZG must ensure US Participants monitor access to space craft, equipment, data in event of any launch cancellation.	As above for Article VII(2)(a)
Article VIII(3)	NZG must ensure that equipment and data is returned to US or destroyed.	As above for Article VII(2)(a)
Article VIII(3)(b)	NZG must establish debris recovery site controlled jointly by US Participants and NZG and control access in accordance with Art VI.	The proposed legislation will provide powers to declare debris recovery area with access restrictions.
Article VIII(3)(c)	NZG must ensure the return to the US of debris etc and that it is not studied, photographed except as mutually determined.	The proposed legislation will contain a prohibition on photographing or studying debris except where required for an accident investigation or court proceeds. This will be supported by offence provisions.
Article VIII(3)(d)	NZ must authorise NZ licensees to provide necessary information to determine cause of any accident, to the extent consistent with its national security interests and foreign policy.	The requirement to provide this information will be a standard condition of licences under the proposed legislation. Enforcement officers will also have information gathering powers.

7 Economic, social, cultural and environmental costs and effects of the treaty action

The TSA will not have any significant social, cultural and environmental costs or effects for New Zealand.

The TSA will facilitate the establishment of a commercial rocket launch service in New Zealand. It will also more widely facilitate the establishment of a space industry in New Zealand, and act as an enabler for New Zealand's wider space economy.

Rocket Lab's launch vehicle and launches have minimal environmental impact. Local authorities have responsibilities and powers under the Resource Management Act to authorize and manage land use activities associated with, and effects on the environment arising from, rocket launches.

8 The costs to New Zealand of compliance with the Treaty

The cost required for implementation of the TSA, and any ongoing costs due to an increase in administration requirements following entry into force, will be met within existing departmental operational baselines, and then subsumed into the wider establishment and resourcing of a lead space policy agency and those supporting agencies responsible for the policy and regulatory functions arising from the proposed Space Activities Bill. Rocket Lab will meet its compliance costs.

9 Completed or proposed consultation with the community and parties interested in the treaty action

Throughout the negotiations on the TSA the New Zealand Government has maintained close contact with Rocket Lab, as the sole entity currently actively engaged in seeking to undertake commercial space launches from New Zealand. Rocket Lab has provided comment into the TSA and is satisfied that it meets their operational and practical requirements. Rocket Lab is supportive of New Zealand signature of the TSA and its entry into force.

The following agencies were consulted in the drafting of this national interest analysis and support its conclusions: the Ministry of Business Innovation and Employment; the Department of Prime Minister and Cabinet (DPMC); the New Zealand Security Intelligence Service; the Government Communications Security Bureau; the Ministry for Primary Industries; the New Zealand Customs Service; the New Zealand Police; Worksafe New Zealand; the Civil Aviation Authority; the Ministry of Transport; the New Zealand Defence Force; and the Ministry of Defence.

10 Subsequent protocols and/or amendments to the Treaty and their likely effects

The Agreement may be amended by written agreement between the Parties (Article 10(2)). Any amendments will enter into force upon exchange of notifications between the Parties confirming that all relevant domestic procedures and requirements necessary for their entry into force have been fulfilled.

There are no provisions in the TSA anticipating subsequent Protocols.

11 Withdrawal or denunciation provision in the Treaty

Article 10 (3) allows either Party to terminate the TSA by written notification to the other Party of its intention to terminate this Agreement. Termination of the Agreement takes effect one year from the date of the written notification.

However, in the event that a Party terminates the Agreement, the obligations of the Parties concerning security, disclosure and use of information and return of US launch vehicles, spacecraft, related equipment and components/debris to the US in the event of a cancelled or delayed launch continue to apply after the termination of the Agreement (Article 10(4)).

12 Agency Disclosure Statement

This extended NIA has been prepared by the Ministry of Foreign Affairs and Trade and the Ministry of Business, Innovation and Employment, in consultation with other relevant government agencies. The extended NIA identifies all of New Zealand's the substantive legal obligations arising from the entry into force of the TSA, some of which will require legislative implementation, and analyses the advantages and disadvantages to New Zealand of the TSA entering into force.

Implementation of the obligations arising under the TSA would not be expected to impose additional costs on businesses; impair private property rights, market competition, or the incentives on businesses to innovate and invest; or override fundamental common law principles.

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Ministry of Foreign Affairs and Trade 27 May 2016