New Zealand Investment Pulse Q3 2026:
Key market and commercial developments

September 2026

Welcome to our Q3 edition of the New Zealand Investment Pulse. Alongside the macroeconomic and geopolitical themes we have been tracking all year, this quarter has brought a wave of genuinely new developments: two years into the Fast-track Approvals Act, the regime is now delivering approvals at real scale, including New Zealand's first fast-tracked mining project. Parliament has passed the country's first offshore wind legislation. Exporters are absorbing a bumpier US tariff picture, and capital markets are showing early signs of life after a quiet couple of years. We cover all of this below, alongside our usual roundup of the transactions our team has been advising on. As always, we would welcome the chance to discuss any of these developments with you.

2.75%
Official Cash Rate as of early September

4.1%
Annual inflation, June quarter – a two-and-a-half year high

5.6%
Unemployment rate, June quarter – highest since 2015

12.5%
US tariff rate now facing NZ exporters without a bilateral deal

32 projects granted Fast-track approval, including 8 in renewables

$4,433 average realised gold price per ounce, OceanaGold Q2 2026 (USD)

$290bn
Value of Te Waihanga's National Infrastructure Pipeline

Monetary policy: the tightening cycle gathers pace

Three years without a rate rise came to an end on 8 July, when the Reserve Bank lifted the Official Cash Rate by 25 basis points to 2.50%, citing inflationary pressures flowing from the Middle East conflict's disruption to oil supplies through the Strait of Hormuz. Annual inflation had already accelerated to 4.1% in the June quarter, comfortably above the Reserve Bank's 1–3% target band.

That constricting continued, with the Reserve Bank delivering a second consecutive 25 basis point rise, taking the OCR to 2.75% at its September Monetary Policy Statement. The Committee judged that gradually removing monetary stimulus remains appropriate to return inflation to the 2% target midpoint and flagged that further increases cannot be ruled out this year, with its own projections implying an OCR approaching 3% by December.

For investors, eighteen months of easing has now given way to a genuine and sustained tightening cycle, as the Bank continues to describe New Zealand's underlying economic recovery as resumed, if still uneven.

A harder trading environment: conflict and tariffs bite

At the same time as the NZ economy faces the inflationary effects of the US-Iran conflict, New Zealand exporters are absorbing a tougher US tariff picture, though the driver is different to the one we flagged in June. The temporary Section 122 tariff expired on 24 July and was replaced by a new US measure targeting countries without a ban on importing goods made with forced labour. New Zealand has no such ban, placing it in the higher 12.5% tier alongside most of the economies reviewed, rather than the 10% rate applied to countries with an equivalent ban already in force (beef and kiwifruit remain carved out). Reserve Bank modelling suggests NZ exports to the US could fall 13% in the first year of the tariff shock, recovering to around 6% below today's figures by 2040 as trade routes readjust – a reminder that New Zealand's fundamentals remain strong even in the face of current headwinds.

Election countdown shapes deal timing

New Zealand's general election is confirmed for 7 November 2026, with the regulated advertising period already underway and Parliament due to dissolve on 1 October. While the Government retains full authority until election day, election-year dynamics are slowing policy momentum. We would expect this to continue through October, followed by a period of stocktaking once the shape of the next Government becomes clear.

Current polling indicates a close race between the right and left blocks, which, given the disparities in their economic policy, makes it likely that investment decisions will be deferred.

Faster gates: OIA reform and Fast-track approvals hit their stride

Six months on from the landmark 6 March reforms, the streamlined Overseas Investment Act national interest test is producing tangible results, with non-sensitive applications now routinely cleared within the 15-working day standard timeframe.

Running alongside it, the Fast-track Approvals Act enters its second year with real momentum: 32 projects have now been granted approval, including 8 renewable energy projects and, notably, the first mining project ever to be fast-tracked (OceanaGold's Waihi North underground gold mine, a project our team advised on throughout its consenting and subsequent litigation). Recent approvals include the Foxton Solar Farm, the Hananui Aquaculture Project, and the Māhinerangi Wind Farm.

Together, the two regimes are giving investors a faster, more predictable route to market than at any point since the Fast-track regime's introduction, even as legal challenges to individual approvals (including one we are currently defending on behalf of OceanaGold) test the outer limits of the new framework.

Offshore wind: a genuinely new frontier opens

In early July, Parliament passed the Offshore Renewable Energy Bill, giving New Zealand its first legal framework for offshore wind, solar, wave and tidal projects. The two-stage regime requires developers to first secure a feasibility permit (valid for up to seven years) before applying for a commercial permit once a project's viability is established.

The South Taranaki Bight remains the standout prospect: Taranaki Offshore Partnership, a joint venture between the NZ Super Fund and Copenhagen Infrastructure Partners, has been investigating a project of up to 900MW (with potential to scale to 2GW) capable of powering more than 650,000 homes. The legislation arrives after a sobering couple of years in which three international developers exited the New Zealand market, and it notably excludes any contracts-for-difference style subsidy mechanism used to accelerate offshore wind elsewhere – meaning commercial viability, not just permitting certainty, will determine which projects ultimately proceed.

Infrastructure and PPPs: the pipeline turns to delivery

Te Waihanga's National Infrastructure Pipeline reached $290 billion in its June update, with $192.8 billion now backed by committed or confirmed funding. The standout development this quarter was the Christchurch Men's Prison redevelopment reaching financial close on 22 July, the first PPP in New Zealand to do so since the model's reintroduction, and one of the country's largest social infrastructure projects. Simpson Grierson, working alongside Allens, advised the Southern Renewal Partners consortium (Plenary Group, Webuild Concessions and Leighs Group) throughout the bid and financial close process. Close behind is the Northway Consortium's $3.6 billion Warkworth to Te Hana roading PPP (Simpson Grierson supported the Consortium), together signalling that private capital is once again playing a central role in delivering nationally significant infrastructure.

Data centres and AI infrastructure: still gathering pace

Digital infrastructure remains one of the standout investment themes of the year. DataCentres New Zealand launched the country's first sector-wide Data Centre Strategy in August, arguing New Zealand should capture a greater share of the estimated USD6.7 trillion in global data centre investment forecast by 2030, with Boston Consulting Group valuing the domestic opportunity at up to $70 billion. New Zealand currently hosts 56 data centres, with 20 more planned, and Datagrid New Zealand's $3.5 billion hyperscale AI data campus in Southland (a project our team advised on through resource consent) illustrates the scale of capital now targeting the sector.

Capital markets: cautious optimism returns

NZX's half-year results, released in August, told a story of resilience rather than boom: operating earnings rose 8.8% to $27.3 million and revenue climbed 13.3% to $76.6 million, even as the exchange acknowledged that "some IPO candidates wait for calmer conditions" before listing. Our own corporate team has been active on the equity capital markets side of several live mandates, and the pipeline of interest has not gone away.

Beyond active deal flow, MBIE's second phase of capital markets reform, with submissions closing 15 September, is examining further changes to regulatory settings that have been seen as discouraging capital raising.

Between a more active OIA regime, improving valuations, and the prospect of regulatory settings better calibrated to growth, the conditions for a genuine IPO pipeline revival are being put in place, even if issuers remain in wait-and-see mode for now.

New Zealand–India FTA: closing in on entry into force

Since signing in New Delhi on 27 April, both countries have progressed the domestic processes required to bring their Free Trade Agreement into force. Trade Minister Todd McClay has confirmed New Zealand aims to complete ratification by the end of September, with the agreement targeted to become fully operational before year end.

The commercial terms remain substantial: 100% duty-free access for Indian exports into New Zealand from entry into force, and 95% of New Zealand's exports to India duty free or subject to sharply reduced tariffs. With the US relationship becoming more complicated, the India corridor is increasingly attractive as a genuine diversification opportunity for New Zealand exporters and investors alike.

Major deals

Notable recent transactions on which Simpson Grierson has advised include:

OceanaGold – Waihi North Project

The first mining project ever granted Fast-track approval.

Our team advised OceanaGold throughout the consenting process for its underground gold mine development at Waihi, supporting an 11,000-page application, presenting to the Expert Panel, and continuing to defend the approval against a subsequent appeal.

Northway Consortium – Northland Corridor (Warkworth to Te Hana) PPP

New Zealand's largest-ever public-private partnership.

Simpson Grierson acted as sponsor-side counsel to the Northway consortium (Acciona Concesiones and Aberdeen Investments) and its equity investors, working alongside Allens as co-lead adviser on project documentation. Separately, we advised Acciona Construction New Zealand as design and build contractor. The 26km, four-lane expressway reached financial close on 30 July 2026 at a final cost of NZ$3.649 billion (NPV).

Southern Renewal Partners – Christchurch Men's Prison redevelopment PPP

First PPP to reach financial close since the model's reintroduction.

Simpson Grierson, working alongside Allens, advised the consortium comprising Plenary Group, Webuild Concessions and Leighs Group on the design, build, finance and maintain PPP, reaching financial close on 22 July 2026.

PMG Funds – merger of Pacific Property Fund and PMG Generation Fund

Creating New Zealand's largest diversified unlisted commercial property fund.

Simpson Grierson advised on the full implementation of the merger and PPF's associated $40 million capital raise, bringing together a portfolio of 29 commercial properties valued at over $700 million.

Kelsian Group – Auckland ferry contracts and Belaire Ferries acquisition

Marking Kelsian's first market entry into New Zealand.

Simpson Grierson advised Kelsian on its award of Auckland Transport's Western Package Ferry Contracts (expected to generate approximately NZ$101 million in revenue) and its binding agreement to acquire 100% of Belaire Ferries Limited.

Centralines – Central Hawke's Bay Solar Farm joint venture

A new model for lines companies partnering on generation.

Simpson Grierson advised Centralines on the financial close of its 50:50 joint venture with Lodestone Energy, covering the RFP process, SPV establishment, EPC and O&M agreements, and non-recourse financing for the 31.5MWdc solar farm.

Lending banks – Fulton Hogan NZ$884 million club facilities

One of the largest bank debt financings in the New Zealand market.

Simpson Grierson advised the lending banks on Fulton Hogan's suite of club facilities, structured across six banks under a common negative pledge deed.

2026 INFINZ Awards – two category wins for Simpson Grierson clients

Recognising the year's leading M&A and debt transactions.

Adamantem Capital's investment in the merger of PF Olsen and Forest360 won BDO – Mid-Market M&A Transaction of the Year, and Bank of New Zealand's funding of the Totara Learning Solutions refinance won Tax Management NZ – Mid-Market Debt Transaction of the Year.

Watercare – Central Interceptor fully operational

New Zealand's largest wastewater infrastructure project.

Building on the $3.4 billion debt capital raise that made Watercare the country's first financially independent water entity, the $1.66 billion Central Interceptor became fully operational from July 2026, on which Simpson Grierson continues to advise.

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