



Cabinet Economic Growth and Infrastructure Committee

Minute of Decision

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Contract Between the New Zealand Government and Rocket Lab

Portfolio Economic Development

On 10 August 2016, the Cabinet Economic Growth and Infrastructure Committee (EGI):

- 1 **noted** that Rocket Lab intends to offer regular commercial space launches from the Mahia Peninsula, commencing later in 2016, before the Outer Space and High Altitude Activities Bill (the Bill) is passed into law;
 - 2 **noted** that in December 2015, EGI agreed that the proposed contract between the New Zealand Government, Rocket Lab New Zealand and Rocket Lab USA (the contract) would provide an interim measure, ahead of the Bill passing into law, to:
 - 2.1 authorise Rocket Lab's space activities from New Zealand;
 - 2.2 manage the government's liability under the United Nations Liability Convention (the Liability Convention);
 - 2.3 implement New Zealand's obligations under the Technology Safeguard Agreement (TSA) with the United States of America (US), enabling the TSA to enter into force;
- [EGI-15-MIN-0175]
- 3 **noted** that the Minister for Economic Development is satisfied that the checks and balances are in place in New Zealand to ensure that Rocket Lab's operations will be safe, will not present risks to national security, and will be consistent with New Zealand's international obligations;
 - 4 **noted** that once the contract is signed:
 - 4.1 Rocket Lab will be authorised to launch an unlimited number of launch vehicles for which it holds relevant US licences;
 - 4.2 the government can decide on a case-by-case basis not to permit the launch of any payload (including US payloads);
 - 5 **noted** that under the Liability Convention, the New Zealand Government could potentially be held liable for certain damages caused by Rocket Lab's launch activities from New Zealand, and that the contract includes insurance and indemnity requirements to manage these risks;

- 6 **noted** that the insurance and indemnity requirements proposed leave a residual level of risk that the government may be liable for certain damages caused by Rocket Lab's activities under the Liability Convention, but that the probability of this eventuality is considered to be very low;
- 7 **noted** that the contract contains provisions to enable the requirements of the TSA to be met;
- 8 **noted** that the TSA is currently undergoing Parliamentary treaty examination;
- 9 **noted** that the government can suspend Rocket Lab's activities or terminate the contract at any time as provided for in the contract;
- 10 **authorised** the Minister for Economic Development to finalise the contract, and to make any minor adjustments that may be needed;
- 11 **authorised** the Minister for Economic Development to sign the final contract after the completion of the Parliamentary treaty examination on the TSA.

Janine Harvey
Committee Secretary

Present:

Rt Hon John Key
Hon Bill English (Chair)
Hon Gerry Brownlee
Hon Steven Joyce
Hon Paula Bennett
Hon Amy Adams
Hon Christopher Finlayson QC
Hon Simon Bridges
Hon Nathan Guy
Hon Michael Woodhouse
Hon Todd McClay
Hon Pesea Sam Lotu-Iiga
Hon Maggie Barry
Hon Craig Foss
Hon Jo Goodhew
Hon Nicky Wagner
Hon Paul Goldsmith
Hon Te Ururoa Flavell

Officials present from:

Office of the Prime Minister
Officials Committee for EGI

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Office of the Prime Minister
Melleny Black, PAG, DPMC
Minister Responsible for the GCSB