NZ AIRPORTS ASSOCIATION

Airport information disclosure amendments 2026: draft decisions paper

Cross-submission from NZ Airports

Introduction

1 NZ Airports welcomes the opportunity to cross-submit on the submissions received on the Commission's 25 June 2026 draft decisions paper. This cross-submission responds to the submissions of Air New Zealand (Air NZ), Qantas Group (Qantas), the International Air Transport Association (IATA), and the Board of Airline Representatives New Zealand (BARNZ).

2 The airline submissions, taken together, ask the Commission to resolve a single underlying question differently to how we consider it should be resolved: whether Part 4 information disclosure and Civil Aviation Act 2023 (CAA) consultation are the same regulatory function, or two distinct ones. Section 53A of the Commerce Act sets the purpose of information disclosure as ensuring sufficient information is readily available to assess the decisions and performance of regulated businesses to determine, whether the purpose of Part 4 is being met. Section 231 of the CAA separately and specifically governs engagement between airports and substantial customers on proposed investment. Parliament placed these functions in different statutes, administered differently, for a reason. The draft decision asks Part 4 ID to perform a role that sits with the CAA; the airline submissions, in different ways, ask it to go further still.

3 This distinction is not a technicality. A disclosure regime that publishes settled decisions and outcomes for scrutiny is one thing. A disclosure obligation triggered mid-consultation, before a proposal has been tested and refined through the CAA process, risks drawing the Commission into live commercial negotiation between airports and airlines as a de facto participant – a role it has not sought and has not stated it is resourced to perform.

4 We also repeat the point made in our 23 July submission: the Commission has not identified any finding of non-compliance, or any evidenced failure to promote the Part 4 purpose, that this reform responds to. Successive PSE reviews, including of Auckland Airport's PSE4 capital programme, have found airport investment decisions reasonable and consistent with Part 4. Regulatory intervention of this kind ordinarily responds to an identified problem. Absent one here, we consider the draft decision – and, more so, the extensions to it sought by airline submitters – risks being calibrated to a different and untested concern.

5 That concern, on our reading of the airline submissions, is less about the sufficiency of information available to assess Part 4 outcomes, and more about commercial friction within CAA consultation itself. BARNZ and Air NZ each point to the scale of forthcoming investment, particularly Auckland Airport's PSE5 programme, as grounds for earlier and more granular disclosure. Where airlines are dissatisfied with the pace, tone or granularity of CAA consultation, that is a matter for the CAA framework Parliament designed to hold it, not a basis for converting Part 4 ID into a substitute forum.

6 We recognise the Commission's stated aim is to improve the quality and consistency of information available to interested persons. We consider this aim is achievable without a pre-decision ID trigger. Once airports know what business case content – options considered, cost drivers, Level of Service rationale, risk allocation – will ultimately form part of the public ID record, that expectation will itself shape the material airports bring to CAA consultation from the outset. The improvement in information quality the Commission is seeking can follow from defining the content of future disclosure well, without requiring that content to be published mid-consultation.

7 This cross-submission does not repeat our 23 July submission in full. It responds to the specific proposals advanced by airline submitters against the framework set out above, and sets out where we consider the Commission's draft decision already strikes the appropriate balance.

Threshold

8 Air NZ, Qantas, IATA and BARNZ each propose a different treatment of the major capex threshold. Air NZ proposes adding a fixed-dollar backstop (suggested at $200m) to the 20% RAB test. Qantas proposes replacing the test with a hybrid mechanism triggered by whichever of a fixed dollar value or 20% of RAB is lower. BARNZ expresses support for the 20% figure. IATA does not engage with the major capex threshold; its NZD10m proposal concerns the consultation trigger under the CAA.

9 A percentage-of-RAB test has the advantage the Commission has already identified: it scales with the size of the business being regulated, in contrast to a static dollar figure that requires periodic manual recalibration as airport asset bases grow.

10 We do not support Air NZ's proposed $200m backstop or Qantas's hybrid mechanism. Qantas' proposal accepts that the CAA's existing $30m consultation trigger continues to apply below any ID threshold – meaning the practical question is not whether smaller projects receive scrutiny, but which regime scrutinises them and in what form. This is precisely the boundary the CAA was designed to hold, and no airline submitter makes a case for why CAA consultation is an inadequate vehicle for projects below 20% of RAB.

11 Only BARNZ argues CAA consultation itself lacks transparency, citing confidentiality in substantial customer engagement. We consider this speaks to how CAA consultation is being conducted in practice - a matter for that framework, and for airports' own consultation practice, to address - not evidence that Part 4 ID should assume the CAA's function for projects below the major capex threshold.

Programme definition and aggregation

12 Air NZ and BARNZ both propose amendments directed at preventing airports from structuring related projects to avoid the major capex threshold ("project slicing"). NZ Airports' 23 July submission noted this concern and proposed further engagement with airports to work through practical scenarios. We continue to encourage this.

13 NZ Airports considers the existing 'programme' definition – a group of projects that together contribute to one output or overlapping outputs – be retained as this is sufficient to capture the intent of capturing major capex. If the Commission considers more detail is required, then guidelines for how this is assessed could be useful. Such guidance could include whether two or more capital projects are approved or intended to be delivered within the same five-year pricing period, and share common physical infrastructure, common design dependencies, or a common underlying business case.

14 This guidance would help ensure aggregation is determined based on concrete, verifiable facts – shared timing and shared physical or design linkage – rather than an open-ended judgement about interdependence, which we consider will be more workable and less likely to draw genuinely independent renewal or enhancement works into the major capex regime by mistake.

Timing

15 As set out above, NZ Airports' primary position remains that pre-decision disclosure is not the correct mechanism, for the reasons set out in our 23 July submission. The Commission's reasoning at paragraph 2.30 of the draft decisions paper – that disclosure after prices are set "could be too late" – rests on an assumption that earlier disclosure will allow interested persons, including the Commission itself, to meaningfully influence the outcome before it is locked in. Airlines already do influence these decisions in detail, and should continue to do so, through CAA consultation – that is not in dispute.[1] What is in question is what the Commission's involvement adds beyond that existing process. The Commission has stated that it does not intend to undertake a detailed review of every major capex disclosure, and will instead select only certain projects or aspects for closer attention. These positions are difficult to reconcile. If the Commission's own engagement with most disclosures will be limited, it is not clear what "too late" is being measured against, or what a ten-working-day pre-decision trigger

[1] This also includes airline influence on decisions to defer investment.

achieves that our proposed alternative – confirmation at the next annual disclosure following the investment decision itself, not after prices are set – would not equally achieve, without the practical and structural difficulties addressed in our 23 July submission.

16 If the Commission proceeds with a pre-decision disclosure, we address the specific timing proposals advanced by airline submitters below. Each, in our view, extends further in the direction of treating Part 4 ID as a mechanism for managing live consultation.

17 BARNZ proposes the Commission define "before investment decisions are made" as a minimum of six months prior to either an airport board resolution to commit to the capex, or execution of any contract exceeding 5% of project budget. We do not support this, for two reasons.

18 First, and most significantly, BARNZ's proposal cannot be complied with prospectively. BARNZ's proposed floor is backward-anchored: it measures compliance against board resolution or contract execution, events that have not yet occurred at the time of disclosure and whose timing an airport cannot fix in advance, since it depends on how consultation unfolds. An airport disclosing today has no way to guarantee board resolution will not occur before six months have elapsed, particularly where consultation resolves efficiently or a project has a genuine safety or resilience driver requiring urgency. BARNZ's proposal would leave airports unable to know, at the point of disclosure, whether they will in fact comply with a rule that is only capable of being assessed after the fact.

19 For the class of major, long-horizon capex projects the 20% RAB threshold is designed to capture, that existing trigger will typically already deliver a run of well over six months before board resolution, without need for BARNZ's separate floor. Where the proposal would add anything is precisely the case where consultation has resolved efficiently and a project has genuine urgency - the case in which an arbitrary additional delay is hardest to justify.

20 IATA proposes a formal four-stage “Project Gateway” framework, modelled on Dublin Airport, requiring re-consultation at each of concept, options selection, scheme design and construction delivery stages. The Commission has already considered and declined a broadly similar proposal at paragraph 2.33 of the draft decisions paper, on the basis that the benefit of staged disclosure did not clearly justify the increase in regulatory burden – a conclusion NZ Airports agrees with. We note that Dublin's gateway model operates within an economic charge-cap regime materially different to New Zealand's light-handed, incentive-based Part 4 framework, and the comparison should be read with that structural difference in mind.

21 Qantas proposes that any material change to scope, cost, timing or allocation should trigger an updated disclosure, regardless of whether the airport characterises the change as requiring CAA re-consultation. We agree that this is, in substance, how genuine consultation must work: an airport genuinely open to changing and developing a proposal in response to feedback – the fundamental consultation obligation under the CAA – will necessarily produce a live sequence of material changes as a project develops. We consider this reinforces, rather than answers, the concern set out in our 23 July submission: binding each such change to a formal ID disclosure obligation would produce either a pattern of repeated, disruptive re-disclosures through the life of a project, or growing airport reluctance to adapt proposals in response to consultation feedback for fear of triggering the obligation.

22 Qantas's proposal illustrates the concern we have raised in a more acute form. A standing obligation to re-disclose on any material change will multiply the volume and frequency of disclosures the Commission receives well beyond a single pre-decision trigger – precisely at a time when the Commission has stated it does not intend to review most disclosures in detail (draft decisions paper, paragraph 2.6). Absent that capacity, continuous disclosure of this kind does not increase the Commission's ability to engage substantively with proposed investment; it increases the volume of material published without a commensurate increase in scrutiny, while imposing a live compliance burden on airports to assess, on a rolling basis, whether each change in a long and iterative planning process meets an undefined "material" threshold. This is the practical consequence of the capability and resourcing concern set out in our 23 July submission: an ID regime asked to track a live, evolving process will either fall short of the scrutiny that implies, or draw the Commission into a monitoring role it has already indicated it does not intend to perform.

23 Air NZ's position is narrower than the above three, asking principally for clarification that disclosure is intended to occur once information is sufficiently mature to consult meaningfully, but before the proposal is "effectively settled." We do not support introducing a pre-decision trigger at all, but if one is retained in the final decision, we agree further precision on this point would assist implementation and note it is a materially more modest request than those advanced by BARNZ, IATA or Qantas.

Cost-benefit analysis/business case disclosure

24 NZ Airports' 23 July submission proposed that the Commission require disclosure of an airport's business case for major capex – comprising the reasons for investment, options considered, costs, assumptions and risks, and sensitivity analysis – rather than requiring expected benefits to be presented as a standalone monetised breakdown or formally computed cost-benefit ratio.

25 Airports are commercial, investor-owned businesses assessed by their boards against commercial and regulatory criteria - shaped by civil aviation safety and security rules, resilience and asset-life obligations, health and safety legislation, and environmental and planning requirements, among others - not a single public-good welfare test, and a ratio risks manufacturing an artefact that does not reflect the actual basis for the investment decision. If the Commission is not persuaded to remove the cost-benefit ratio requirement entirely, we recommend it be disclosed as one input alongside the wider business case material described at paragraph 40 of our 23 July submission, rather than as the primary organising output of the disclosure, with airports retaining the ability to explain its limitations as a complete measure of the investment's merits.

26 Air NZ seeks to extend pricing and demand impact disclosure beyond the current five-year pricing period, to the full period over which major capex costs are expected to be recovered through aeronautical charges.

27 Introduction of such requirements would expand the scope from disclosure of major capex investment into disclosures of uncertain future prices. Future aeronautical prices depend on a range of assumptions beyond any individual capital project, these inputs will change over time and will not be settled when a major capex disclosure is prepared. Requiring airports to publish long-term price paths would create false precision and risk those projections being treated as a de facto commitment or price ceiling. That could constrain future pricing decisions, particularly if circumstances change, and may weaken airports' ability to recover the efficient costs of investment, weakening incentives to invest, which would be contrary to the Part 4 purpose.

28 If the Commission accepts Air New Zealand's proposed change that future price projections and volume impacts should be disclosed, then the analysis must also consider the counterfactual if investment does not proceed, including the impacts of capacity constraints, reduced resilience, poorer service outcomes and the potential for higher airfares due to constrained competition.

Cost and asset allocation

29 NZ Airports' 23 July submission proposed that airports be permitted to satisfy the forward-looking allocation disclosure requirement by confirming that a proposed project's allocation approach is consistent with the methodology already disclosed in the airport's most recent PSE or annual disclosure, rather than producing a new, project-specific allocation model at an early and potentially immature stage of planning.

30 Air NZ and Qantas both seek more granular allocation disclosure, including allocation percentages and the expected impact on aeronautical charges. The underlying allocation methodology is already governed by Part 2 of the airport Input Methodologies and is disclosed annually. Our position is that forward-looking disclosure for a proposed project should confirm consistency with that already-disclosed methodology; requiring a new allocation model to be produced and published at an early planning stage, before design and consultation feedback are complete, draws what is properly a pricing question into project planning – the same conflation of functions addressed earlier in this submission.

Independent assurance

31 NZ Airports considers the Commission's draft decision – requiring disclosure of assurance or peer review reports already held by an airport, rather than mandating independent verification – remains correct.

32 Air NZ and Qantas each seek mandatory independent verification, with Qantas describing the current draft decision as "the most significant remaining gap" in the framework. BARNZ describes disclosure of existing reports as "a good first step," seeking only that the underlying assumptions within those reports also be disclosed - a refinement of, not a departure from, the Commission's current approach. IATA goes further, explicitly endorsing the draft decision as drafted, describing it as a "pragmatic approach" that "strikes an appropriate balance."

33 NZ Airports repeats the concerns set out in our 23 July submission (paragraphs 46–49): independent assurance already occurs voluntarily for projects of the scale contemplated by the 20% RAB threshold, as the Commission's own review of Auckland Airport's PSE4 Terminal Development Plan illustrates; requiring disclosure of reports already held captures the great majority of the transparency benefit sought without the delay, cost and structural shift toward pre-approval that mandatory, Commission-approved verification would represent. None of this forecloses closer scrutiny where it is genuinely warranted. The Commission retains its own information-gathering powers under the Act to seek further material on a specific disclosure where it considers this necessary, and airlines, as substantial and well-resourced customers, remain free to commission their own independent analysis of the information an airport discloses.

Levels of Service and other matters

34 NZ Airports maintains its support for Levels of Service disclosure as proposed, on a non-prescriptive basis (23 July submission, paragraph 50). We note broad agreement among all submitters on this point.

35 NZ Airports has no further comment on Draft Decisions 3 and 4 (tax information and debt leverage disclosures), which are supported by all submitters.

Conclusion

36 NZ Airports' position remains that the draft decision asks Part 4 information disclosure to perform a function – intervention and review of potential investment that has not yet been finalised – that Parliament has already assigned to the CAA, in the absence of any identified failure of the current ex-post regime to promote the Part 4 purpose. If the Commission proceeds with pre-decision disclosure notwithstanding that objection, the refinements set out in this cross-submission and in our 23 July submission would make the regime more practical, more proportionate, and less likely to produce the disputes about scope and interpretation that a less precisely drawn set of requirements would invite.

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