



## REGIONAL ECONOMIC DEVELOPMENT

### Weekly Report 25 to 29 June 2018

<b>Date:</b>	29 June 2018	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	3961 17-18

Action sought		
	Action sought	Deadline
Hon Shane Jones <b>Minister for Regional Economic Development</b>	<b>Discuss</b> at the next officials meeting	N/A
Fletcher Tabuteau <b>Parliamentary Under-Secretary to the Minister for Regional Economic Development</b>	<b>Discuss</b> at the next officials meeting	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Nigel Bickle	Head of Regional Economic Development	Privacy of natural persons	
Ben Dalton	Head of Regions and Project Delivery		
AJ Millward	General Manager Strategy and Governance		✓
Robert Pigou	Acting Head of Investment		



## 1. Provincial Growth Fund Proposals

### Industrial Symbiosis Kawerau – Industrial Subdivision Development

**Comment:**

The Provincial Development Unit (PDU) continues to support Industrial Symbiosis Kawerau (ISK) on the Industrial Subdivision Development that involves significant sector players (container terminal, wood processing, dairy processing and light engineering).

The purpose of the development, which was presented to Minister Jones in December 2017, is to land an industrial subdivision with appropriate infrastructure in Kawerau to attract significant private sector investment. The proposed subdivision is largely based on Maori held land, but also has potential to partner with adjacent private sector and <sup>Commercial Information</sup> land.

Investment is required in rail and both public and private roading developments. PDU officials facilitated an all day workshop with key ISK Board members and <sup>Commercial Information</sup> senior staff last week.

The outcome was to develop and agree an approach for the Provincial Growth Fund (PGF) with an 'Umbrella' Story and then stage the specific phases of the development over the next 12 months to the PGF.

The first phase of investment is expected by October for road access to the dairy processing plant on Putuaki Trust land for approximately <sup>Confidential information</sup>.

The total PGF application is expected to be approximately <sup>Confidential information</sup> and has the potential to create <sup>Commercial In</sup> new jobs in the Eastern Bay region.

Responsible Manager: *Stephanie Weller*, <sup>Privacy of natural persons</sup>

**Next Steps:**

ISK team to develop their overall PGF approach with assistance from PDU staff.

ISK team to develop application for the first phase of road access to the dairy processing plant with assistance from PDU staff.

PDU staff facilitating ongoing discussions with <sup>Commercial Information</sup> and <sup>Commercial Infor</sup>.

### Taupo Airport Development

**Comment:**

PDU staff continue to work closely with <sup>Confidential information entrusted to the Government</sup> on the <sup>Confidential information entrusted to the</sup> re-development business case. After facilitating a workshop with PDU investment team and Ministry of Transport (MoT) officials the next step is for <sup>Confiden</sup> to finalise the business case terms of reference, contract the business case development and develop the Expression of Interest (Eoi) with assistance from PDU officials.

Due to timing issues, the <sup>Confidential information entrusted to the Government</sup> is funding the business case entirely, with the expectation that a PGF application for full investment will be developed by end of 2018.

Responsible Manager: *Stephanie Weller*, <sup>Privacy of natural persons</sup>

**Next Steps:**

<sup>Confide</sup>, MOT and PDU staff to confirm terms of reference and commission the business case development.

<sup>Confident</sup> staff to develop an Eoi (as suggested by Investment Team) with support of PDU regional staff.



<b>Wairoa</b>	
<p><b>Comment</b></p> <p>Wairoa District Council is being supported by MBIE with strategic planning and PGF process guidance. A third planning workshop was held on 26 June 2018.</p> <p>An application for Capability Support (\$250K) has been submitted. The funding being sought is for the provision of capability support for Wairoa District Council's project office. It will also be used to conduct studies that identify economic development opportunities, and to prepare subsequent PGF applications.</p> <p><i>Responsible Manager: Stephanie Weller,</i> <small>Privacy of natural persons</small></p>	<p><b>Next Steps:</b></p> <p>The application will be presented for Senior Regional Officials' decision at the meeting on 28 June 2018</p>

## 2. Provincial Development Unit

### Skills and Employment within Provincial Development

<p><b>Comment:</b></p> <p>Work is underway within the PDU to examine options to utilise the PGF (mindful also of opportunities to align with wider Government priorities such as Future of Work and Education reviews) to get better work and economic outcomes whilst maximising the skills and employment dividend for New Zealanders in their regions, with a focus on surge regions and capacity gaps. These options will focus on:</p> <ul style="list-style-type: none"> <li>• better co-ordination between the demand side (job opportunities for locals) resulting from PDU applications</li> <li>• working with the various work readiness programmes (supply pipelines) to ensure they are connected to deliver on the opportunities at a regional level and able to be agile and fit for purposes in local contexts</li> <li>• providing tailored support for those who need more help to become work-ready for the job opportunities that will arise from the increased investment in those regions.</li> </ul> <p><i>Responsible Manager: Ben Dalton,</i> <small>Privacy of natural persons</small></p>	<p><b>Next Steps:</b></p> <p>You are attending the Future of Work Ministers meeting on Monday 2 July 2018 where the Government's broader skills and employment priorities are being discussed. We will prepare some talking points for you and some next steps.</p>
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### Provincial Growth Fund Cabinet Paper

<p><b>Comment:</b></p> <p>The PDU has prepared a Cabinet paper that reports back on:</p> <ul style="list-style-type: none"> <li>• two items from the February Cabinet paper (options for the Government taking equity stakes in projects and regional baseline indicators),</li> <li>• progress with the Investment Statement, and;</li> <li>• changes that will improve the implementation of the Provincial Growth Fund.</li> </ul> <p>A draft paper has been out for Ministerial consultation, and was discussed by the wider Regional Economic Development Ministers on 26 June. An amended version of the paper will be submitted to Cabinet Office for consideration by the Cabinet Economic</p>	<p><b>Next Steps:</b></p> <p>Discussion of the Cabinet paper by DEV on 4 July. Officials will be available to attend.</p>
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## 2. Provincial Development Unit

Development Committee (DEV) on 4 July.

*Responsible Manager: AJ Millward,* Privacy of natural persons

### PipeDrive Update

**Comment:**

As at 24 June 2018, 264 projects have been lodged in PipeDrive. 18 projects are new this week. Of the 264 projects, 128 are Expressions of Interest (Eols) and 136 are applications.

*Responsible Manager: Robert Pigou,* Privacy of natural persons

PROACTIVELY RELEASED



### 3. Upcoming Meetings and Events

Time / Meeting with / Purpose	Support
<b>Monday 2 July</b>	
11:45am-12:15pm <b>Minister Jones:</b> Meeting with Ann Sherry, Carnival Australia	Official requested to attend
5:00-6:00pm <b>Minister Jones:</b> RED Ministers meeting	
<b>Tuesday 3 July</b>	
<b>Wednesday 4 July</b>	
3:30-4:30pm <b>Minister Jones:</b> MBIE weekly officials meeting	
<b>Thursday 5 July</b>	
10:30-11:00am <b>Minister Jones:</b> meeting with Hirianga Energy Ltd	Briefing due 3 July. Official to attend
1:00pm-1:30pm <b>Minister Jones:</b> Meeting with Maxim Institute	Briefing due 4 July. Official requested to attend
<b>Friday 6 July</b>	

#### July

Nelson/Te Tau Ihu visit  
Taranaki visit  
West Coast visit  
Northland visit  
Dunedin visit  
Launch Investment Statement

#### August

Bay of Connections forum  
Independent Advisory Panel meeting  
Bay of Plenty visit  
East Coast visit  
Manawatu-Whanganui visit  
Waikato Economic Summit

#### September

RED Ministers meeting  
Waikato visit (USEC)  
Wairarapa, Kapiti visit

#### October

Independent Advisory Panel meeting  
Southland, Dunedin visit  
Kaikohe visit  
East Coast visit (USEC)



#### 4. Media and Communications Schedule:

Event or announcement date	Activity	Speech / media release due	MBIE Contact
12 or 13 July	Hiringa Energy Investment (Taranaki)	Under-Secretary's/Minister's office will be provided with communications material	Julia Paterson-Fourie
July 2018 TBC	Provincial Growth Fund Investment Statement	Minister Jones' office will be provided with communications material	Eleanor Laban

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## 5. Completed Briefings, Aide Memoire and Reports

Tracker number	Title	Minister/USEC	Signed out by	Date delivered
3794 17-18	Aide-Memoire on how the PDU considers hospital-related requests for the PGF	Minister Jones	AJ Millward	22 June 2018
3900 17-18	PGF update – information for wider RED Ministers	Minister Jones	AJ Millward	22 June 2018
3811 17-18	Cabinet paper – Further decisions on the PGF	Minister Jones	AJ Millward	22 June 2018
3871 17-18	Event Briefing for Bay of Plenty announcements on 29 June	USEC	Stephanie Weller	25 June 2018
3633 17-18	How Ministers are informed of PGF proposals	Minister Jones	AJ Millward	25 June 2018
3713 17-18	Event Briefing for meeting with Ministers Clark and Parker re high value manufacturing in Dunedin	Minister Jones	Stephanie Weller	26 June 2018
3872 17-18	Event briefing for meeting with PEFANZ	Minister Jones	Stephanie Weller	26 June 2018

## 6. Upcoming Cabinet Papers, Briefings, Aide Memoire and Reports

Tracker number	Title	Minister/USEC	Signed out by	Delivery Date
3859 17-18	Paper to support RED Delegated Ministers meeting on 2 July	Minister Jones	Nigel Bickle	29 June 2018
3804 17-18	Reported labour shortages in the Silviculture industry in the Hawkes Bay	Minister Jones/USEC	Hinemaui Rikirangi	29 June 2018
TBC	Just Transition & Provincial Growth Fund workstreams and engagement in Taranaki	Minister Jones/Minister Woods	Gus Charteris	29 June 2018
3878 17-18	Information about EcoKiwi Recycling	Minister Jones	John Doorbar	2 July 2018
TBC	Event briefing for meeting with Andrew Clennett from Hiringa Energy on 5 July	Minister Jones	Stephanie Weller	3 July 2018



Tracker number	Title	Minister/USEC	Signed out by	Delivery Date
TBC	Information and guidance on the PGF and how to apply for it in preparation for meeting with the Rauawaawa Kaumātua Charitable Trust Chair	USEC	Stephanie Weller	4 July 2018
2823 17-18	Ongoing resourcing for the PDU and other agencies to administer the PGF	Minister Jones	Nigel Bickle	5 July 2018
3240 17-18	Event briefing for meeting with Tourism Export Council NZ	USEC	Richard Davies	29 July 2018

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## 7. Ministerial Servicing

Ministerial OIAs					
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Request / Status Update
SJOIA81	Privacy of natural persons	11 Jun 2018	2 Jul 2018	9 Jul 2018	Any information relating to the June 1, 2018 announcement that through the Provincial Growth Fund, Northland would receive "\$20 million into projects that create jobs" as part of the overall \$46 million "investment package."
SJOIA84		26 Jun 2018	11 Jul 2018	18 Jul 2018	Copy of 17 May Briefing re: meeting with Mark Butcher

Departmental OIAs					
Tracking Number	Name	Date received	Date due to Minister's Office (if applicable)	Date due to requestor	Request / Status Update
1718-1810	Privacy of natural persons	15 Jun 2018	6 Jul 2018	13 Jul 2018	Official information request regarding the Provincial Growth Fund loan of \$10 million to Ruapehu Alpine Lifts
1718-1812		16 Jun 2018		13 Jul 2018	A copy of the Opōtiki Harbour Development Business Case document lodged with MBIE, prepared by HABILIS Consultants, on 5th December 2017
1718-1827		18 Jun 2018	9 Jul 2018	16 Jul 2018	A copy of all advice you have sent or received regarding the Howard League Driver License Initiative announced as a recipient of funding under the Provincial Growth Fund on 1 June 2018
1718-1870		26 Jun 2018		24 Jul 2018	I would like (electronic) copies of your predecessor organisation Ministry of Economic Development's early 2000s (circa 1999-2003) Regional Partnership Programme



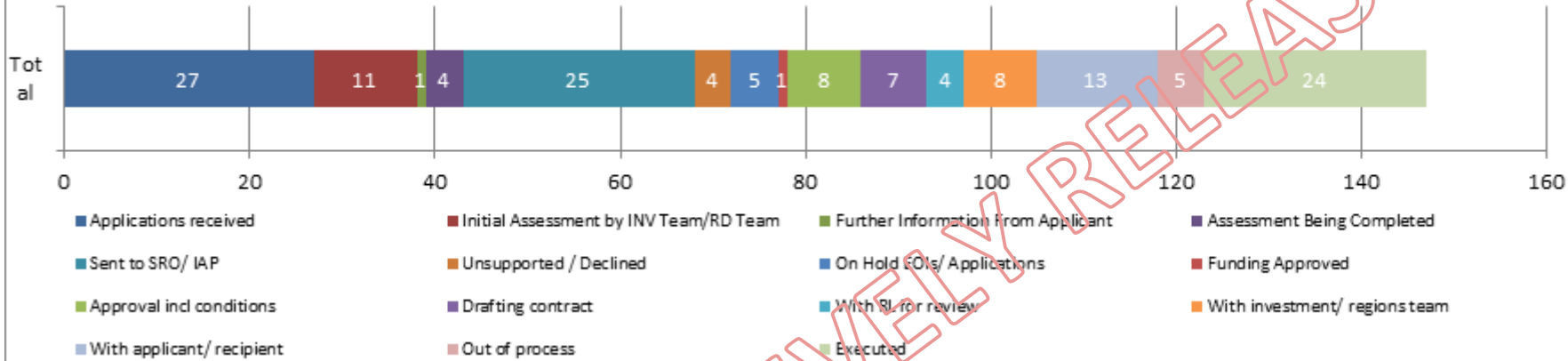
### Ministerial Correspondence

Tracking Number	Name	Date received	Date due to Minister's Office	Request / Status Update
SJ1019	Privacy of natural persons	11 Jun 2018	2 Jul 2018	The Human Face of the Opōtiki Harbour Transformation Project
SJ1091		18 Jun 2018	2 Jul 2018	Oppose proposed Hicks Bay Port development due to impact on surrounding areas.
SJ1074		12 Jun 2018	4 Jul 2018	Taranaki visit, a Just Community Transition Plan and matching investments.
SJ946		12 Jun 2018	4 Jul 2018	Worries over RED Fund on Russell Wharf affecting historic heritage.
SJ993		12 Jun 2018	4 Jul 2018	Gisborne Port should be moved to Young Nick's Head instead of where it is.
SJ956		26 Jun 2018	10 Jul 2018	Marsden Point Naval facility
SJ1041		13 Jun 2018	11 Jul 2018	PopUp Business School Aotearoa should be supported to run across NZ.
SJ941		13 Jun 2018	11 Jul 2018	Public Trust head office moving will cause job losses
SJ969		13 Jun 2018	11 Jul 2018	Using regional development fund to build a plastic recycling plant in NZ.
SJ974		13 Jun 2018	11 Jul 2018	Air NZ cancelling flights in NZ and not offering alternative travel plans
SJ1128		22 Jun 2018	13 Jul 2018	Regional development ideas for the West Coast
SJ1064		18 Jun 2018	16 Jul 2018	Supporting NZ Local owned companies over international corporates
SJ1089		18 Jun 2018	16 Jul 2018	Opōtiki Harbour Development
SJ1090		18 Jun 2018	16 Jul 2018	Opōtiki Harbour Development

# Expressions of Interest and Applications

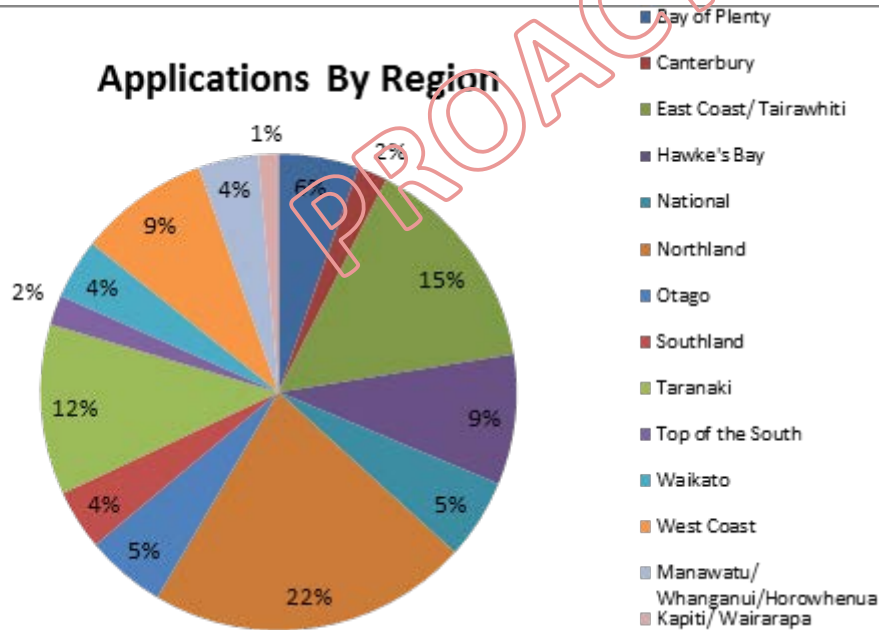
## 1. Progression of Applications

Applications progression through Stages (By Number)

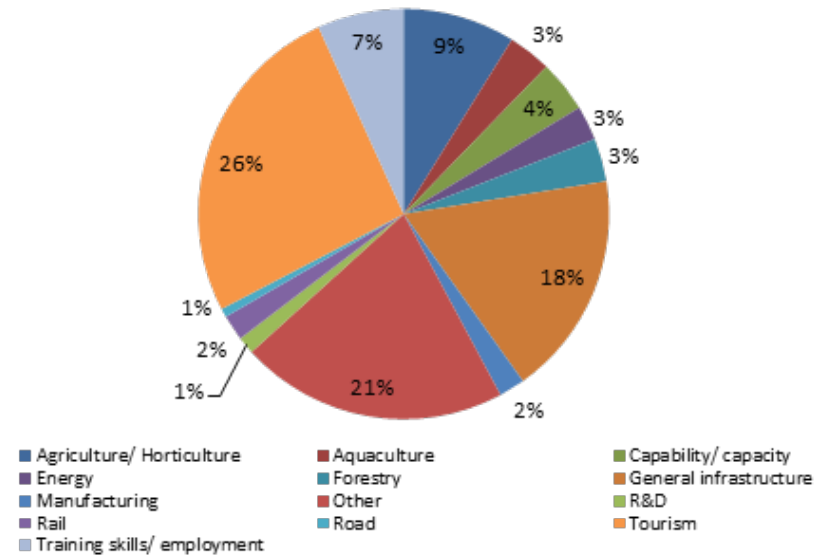


## 2. Breakdown of funding and applications in regions and sectors

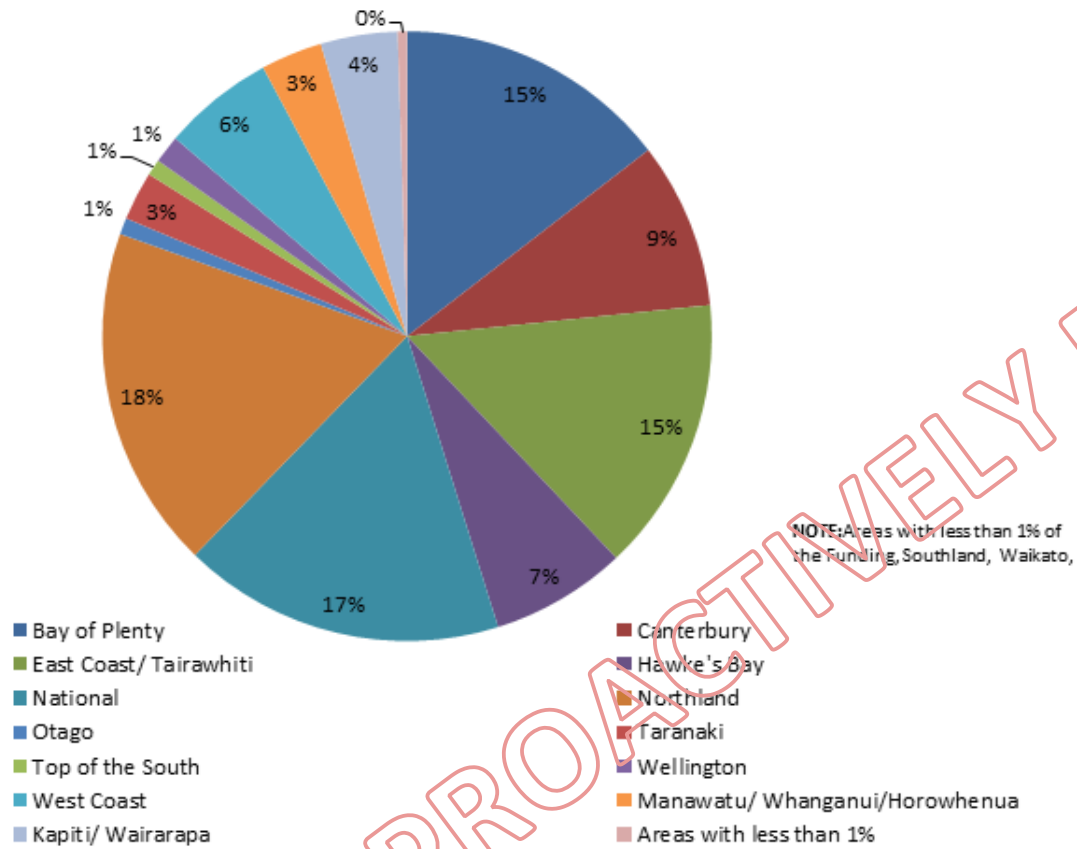
Applications By Region



Applications By Sector



### Total Funding sought by Region Applications and Eol



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