

Agenda – Senior Regional Officials meeting

Date, Time & Location:	Thursday 28 th March 2019, 9.00am – 12.00pm, 4.11, Level 4, MBIE Offices, 15 Stout Street
SROs:	Ben Dalton (Chairperson), Kathy Mansell, Kay Read, Di Grennell, Al Morrison, Karen Adair, Apryll Parata, Robert Pigou (Acting for Karl Cummins), Bryan Wilson
In attendance:	Jane Frances, David van der Zouwe, Glynis Mussen (Secretariat)
Attendees	Ben Pringle, Jocelyn Mikaere, Susan Collins, David Caselli, Melanie Dawson, Nick Hough, Yen-Ting Liu, <small>Privacy of natural persons</small> , Jason Hall, Joan Ng, Eliot Linforth-Hall
Apologies:	Karl Cummins

AGENDA ITEM		PRESENTING AND/OR ATTENDING	ACTION
1.	MEETING ADMINISTRATION		
1.1.	Introduction	Ben Dalton	D
1.2.	Apologies	Ben Dalton	N
1.3.	Conflicts of Interest	Ben Dalton	N
1.4.	Ratification of minutes from 28 February 2019 meeting	Al Morrison	D
2.	INVESTMENT PROPOSALS		
Te Ara Mahi (He Poutama Rangatahi) proposals under \$1million for SRO decision			
2.1	School of Hard Knocks, Bay of Plenty	Ben Pringle	R
2.2	Kawerau Pathways to Work (Kawerau District Council) – Cadetships, Bay of Plenty	Ben Pringle/Jocelyn Mikaere	R
2.3	Kawerau Pathways to Work (Tuwharetoa ki Kawerau Health, Education & Social Services) – Work Ready On-ramps, Bay of Plenty	Ben Pringle/Jocelyn Mikaere	R
Te Ara Mahi proposals under \$1million for SRO decision			
Commercial Information - declined project			
Te Ara Mahi proposals between \$1million-\$10 million for SRO consideration and recommendation to RED Ministers			
Prejudice to Negotiations			

ACTION KEY:

R = RESOLUTION N = NOTE D = DISCUSS C = COMPLETE I = INFORMATION

2.6	Southland Youth Futures, Southland	Melanie Dawson	D
SRO Investment Proposals			
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2.8	The Manawatu-Wanganui Bio-forestry Alliance ("The Alliance"), Manawatū-Whanganui/ Horowhenua	Nick Hough	R
2.9	Centre for Maori Innovation & Entrepreneurship, Waikato	Nick Hough	R
2.10	Stage One of the Big Daddy Adventure Park – Cromwell, Otago	Yen-Ting Liu	R
Commercial Information - declined project			
2.12	Wairarapa Community Water Storage (Wakamoekau), Kāpiti/Wairarapa	Privacy of natural persons	R
Commercial Information - declined project			
Commercial Information - declined project			
Commercial Information - declined project			
Commercial Information - declined project			
3. NOTING AND DISCUSSION PAPERS			
3.1.	PGF Portfolio Analysis	Robert Pigou	D
4. GENERAL BUSINESS			
4.1.	Any items for general business & meeting review	Ben Dalton	D
The next SRO meeting will be held on 2nd May 2019 in Wellington			



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<p>The Manawatu-Wanganui Bio-forestry Alliance ("The Alliance") #809</p> <p>NZ Bio Forestry Ltd (NZBF)</p> <p>Manawatū-Whanganui/Horowhenua</p>	<p>NZBF's project aims to deliver high value plywood, bioplastic raw material substitutes for petroleum-based plastics and bark based bio-fuels.</p> <p>PGF funding of NZ\$^{Commercial} has been requested to undertake testing to validate the technical approach and science. The key items upon the completion of the Investment Information Memorandum are testing:-</p> <ul style="list-style-type: none"> the NZ radiata pine logs can produce plywood, with acceptable specifications and economics, on modern plywood mill technology (Japanese equipment). the NZ radiata residues can provide the feedstock to produce PLA/PHA from fermentation of the cellulose in Pinus radiata (Taiwan equipment). The technology is based on research from the Institute of Nuclear and Energy Research (INER) in Taiwan, which now operates a large pilot plant. the blending with coal as a fuel for industrial boilers for heat, power generation that would have applications particularly in Japan. <p>There is considerable public benefit in the successful investment in and commercial operation of the new plant that would be reflected in significant additionality and potential spillovers for NZ wood processing industry from:</p> <ul style="list-style-type: none"> The introduction of new export products and wood bio-refinery and bio-plastic production technology The potential to expand this model to other regions within NZ The use of NZ's sustainable plantation forests to 	<p>The project is being completed under strict confidentiality to protect the commercial interests of the investment group. Some sensitive information has been hacked by competitors and printed verbatim in Asia.</p> <p>Approve the project subject to:</p> <ul style="list-style-type: none"> Commercial % cash contribution (\$^{Commercial Inform}) to be paid out pari passu; Confirmation of project costs with supporting documentation; and An agreement satisfactory to the PDU ensuring that should the project not proceed, intellectual property developed from the science will be made publically available. <p>Given the complex negotiations and arrangements required to bring the project to fruition we believe it important to require cash co-contribution^{Commercial In} to the PGF grant.</p> <p>The risk is the science does not</p>	<p>Commercial Inform</p>	761,010	Approve	Agree/Disagree

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	<p>produce a sustainable environmental alternative to petroleum-based plastics</p> <ul style="list-style-type: none"> • New uses for iwi owned forestry assets and investment and employment opportunities. 	support the proposed project.				
<p>Centre for Māori Innovation & Entrepreneurs hip #905</p> <p>Te Wananga o Aotearoa Te Kuratini o Nga Waka (TWOA)</p> <p>Waikato</p>	<p>PGF funding over two years to support the establishment of a centre for Māori Innovation and Entrepreneurship. The centre will:</p> <ul style="list-style-type: none"> •Service Māori entrepreneurs, start-ups, and business growth, and provide a conduit/connector with iwi, Māori business networks and business development stakeholders, schools and communities (customers) across the Waikato Region. •Focus on building resilience through capacity and capability development, connection to investors (VC, Angel, and Social Impact), support through business advisors/mentors/coaches, facilitation and connection to existing central government agency services and support i.e. TPK, NZTE, and Callaghan Innovation, and other support services within the wider business ecosystem i.e. Chambers of Commerce and Te Waka •Provide a pathway and collaborate with the proposed Innovation Hub in Tokoroa, and will collaborate and support through the TWOA network within the wider Waikato and partner networks. • Address the needs of new and emerging Māori-led businesses, and support the development of sustainable businesses and job creation. <p>The benefits include creating a minimum of ^{Comm} jobs annually. This is to be achieved through the provision</p>	<p>This proposal has developed from the feasibility report completed October 2018 and has wide regional support including TPK, Waikato-Tainui, Te Wananga o Aotearoa, Te Waka (Waikato Regional Development Agency), Te Humeka (Waikato Māori Business Network), Wintec, Tainui Waka Tourism, The Mighty Waikato (Hamilton and Waikato Tourism).</p> <p>The PGF has previously received a number of proposals to fund similar centres for Māori innovation and entrepreneurship. These have been from national organisations (e.g. ^{Commercial Information}) looking to expand their reach across regional NZ. These proposals were not supported by RED Ministers on the basis that a national approach should not be “shoehorned” across the regions.</p>	<p>^{Commercial Inform}</p>	500,000	Approve	Agree/ Disagree

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	<p>of business capacity and capability programmes and workshops, access to investors, business support advice, resources and network connections and the Centre is designed to support and guide Māori to realise their potential, providing a key driver for Māori economic growth.</p>	<p>The benefits were acknowledged.</p> <p>The risk is the participant uptake and will be mitigated by Iwi, community and corporate engagement, strong existing regional network and staged PGF payments against KPIs.</p> <p>Approve project subject to:</p> <ul style="list-style-type: none"> • Confirmation of the co-contribution of \$^{Commercial Inform}; • Agreed staged payment gateways - A formal review to be undertaken with the continuation of funding subject to the achievement of agreed performance criteria; and • Agreement to the terms of reference for the governance group. 				
<p>Stage One of the Big Daddy Adventure Park - Cromwell, NZ #803</p> <p>Big Daddy Adventures</p>	<p>This application is for an Economic Impact Assessment. It is an additional step out of the Applicant's original scope of work and PGF funding sought. The applicant has agreed to co-fund this assessment.</p> <p>This economic impact assessment will inform Stage one of The Big Daddy Adventure Park, which is a unique cable suspended platform offering multiple</p>	<p>This cover sheet is in response to the IAP's feedback on the original Application (seeking \$^{Commercial In} out of a total estimated project cost of \$^{Commercial} to build the first stage of the Big Daddy Adventure Park), which was to firm up the economic impact of the park on the local area.</p>	<p>^{Commercial Info}</p>	<p>20,000</p>	<p>Approve</p>	<p>Agree/ Disagree</p>

PROACTIVELY RELEASED

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Ltd Otago	swing experiences above the John Bull Creek canyon on Northburn Station. At over 200m above the valley floor, the swing offering will be the highest in Australasia. Further phases of the adventure park's development will include the addition of attractions such as zip lines, mountain coaster, back-country hiking, mountain biking etc.	<p>The IAP has recommended that a clarification of the tourism market for this product and the effects it will have within Cromwell and the neighbouring tourism areas (i.e. Queenstown and Wanaka) be determined before further application decision is made on the application.</p> <p>Economic Impact Assessment will be conducted by an independent consultant agreed by the PDU. Key risks will be further identified by carrying out this work.</p>				

Commercial Information - declined project

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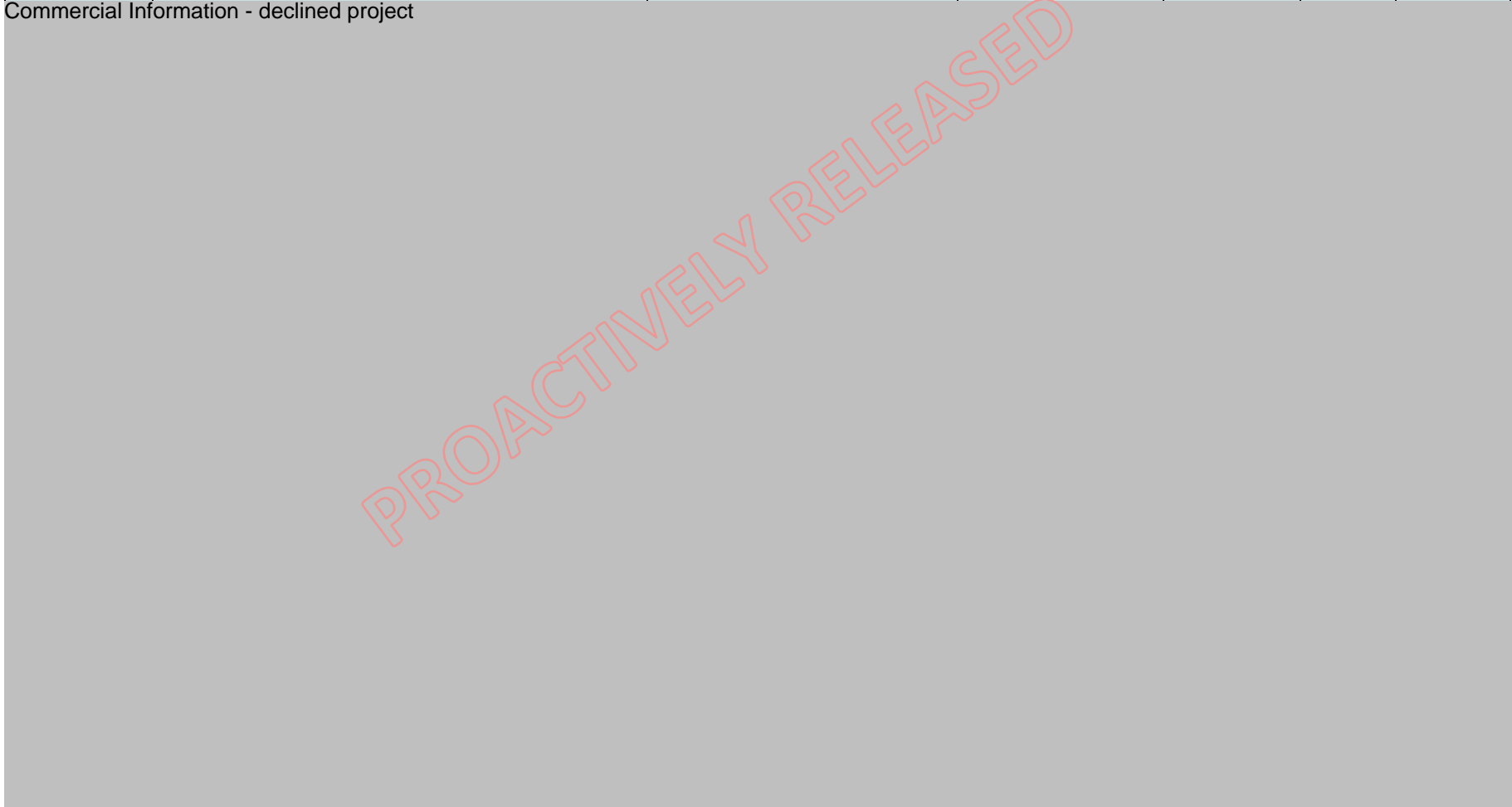
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<p>Wairarapa Community Water Storage (Wakamoekau) #850</p> <p>Wairarapa Water Limited</p> <p>Kāpiti/Wairarapa</p>	<p>This proposal is for the development and construction of water storage and distribution infrastructure in the Wairarapa (this application relates to the pre-feasibility phase of the project). There has been a change to the Greater Wellington Regional Council's (GWRC) water allocation policy for the Wairarapa. In light of these changes, previous studies relating to potential water storage options need to be updated. These studies were carried out with support from Crown Irrigation Limited.</p> <p>Project sponsorship has been adopted by WWL, and the project has been reframed at a strategic level, to better align with PGF water storage investment criteria. The prefeasibility study will be followed by a feasibility study, then the commitment phase (collectively the pre-construction phases), then construction.</p> <p>Water supply resilience is a key driver of this project. This proposal identifies and addresses a risk to the region's long term ability to develop primary sector industry. These industries are already a major employer in the region and further development will create additional opportunities.</p>	<p>At this stage, WWL is only seeking funding for the next phase (prefeasibility), and it is expected that WWL will seek further support from the PGF should the outcomes from the prefeasibility phase be positive. The expected total amount of funding expected to be sought from the PGF is ~\$ Commercial Information</p> <p>The Project has received support from the IAP. The IAP was consulted as this initial grant would only be sensible if the PGF was prepared to continue funding further phases and aligns with the Wairarapa Regional Economic Plan, with water being one of the three key areas of focus.</p> <p>PDU is comfortable with the funding for this phase being in the form of a grant, consistent with the approach taken with the Northland Water Storage Project,</p>	<p>Commercial Information</p>	800,000	Approve	Agree/ Disagree

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		<p>but note that any construction funding would be a loan. The \$^{Commercial Inform} in funding will be split into two tranches (\$^{Commercial Inform} and \$^{Commercial Inform}). The second \$^{Commercial Inform} will only be made available once certain milestones are achieved.</p> <p>The risks including needing for further funding and project viability and the project does not meet stakeholders need due to lack of involvement.</p> <p>It is recommended that this project is approve subject to PDU approving the scope and consultants.</p>				
<p>Commercial Information - declined project</p>						

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