



The Provincial Growth Fund and Regional Economic Development

- The Provincial Growth Fund (PGF) aims to lift productivity in the regions, by increasing the quality of resources available to existing sectors, and opening up investment to new sectors.
- The PGF will focus on:
 - enhancing economic development opportunities
 - creating sustainable jobs
 - boosting social inclusion and participation
 - building resilient communities, and
 - helping to meet New Zealand's climate change targets.
- Government officials are available to assist with the development of proposals and Senior Regional Officials (SROs) provide a key connection point between regional leaders and central Government. SROs help regions to connect to central government and advocate for their priorities.

Who can apply to the PGF?

- All provinces are eligible for funding. We will initially be providing more support into Tairāwhiti/East Coast, Hawke's Bay, Tai Tokerau/Northland, Bay of Plenty, West Coast and Manawatū-Whanganui.
- The PGF is designed to support non-metropolitan areas. However, investments might occur within metropolitan areas to support regional growth.

How to apply to the PGF

- Go to www.mbie.govt.nz/regions - there is guidance available on the PGF, an expression of interest form and application forms.
- If you have not previously discussed your project with central government officials, complete an expression of interest form and send it to PGF@mbie.govt.nz. This will explain to us what you are seeking to do.
- If you have not discussed your investment with government officials, but have a fairly well developed idea that requires under \$1 million of central government funding, you may be ready to complete an application form. Then send this to PGF@mbie.govt.nz.
- If the project requires over \$1 million of central government funding, and you have not spoken to officials yet, please email PGF@mbie.govt.nz to discuss the application process.
- If you simply want to discuss your proposal, you can email PGF@mbie.govt.nz and someone in the team will get back to you.

PGF criteria

All applications will be assessed against the following criteria:

1. Link to government outcomes – The project should lift the productivity of a region or regions, and contribute to other government objectives. These include jobs, community benefits, supporting Māori to achieve enhanced returns from their assets, sustainability of natural assets, and mitigating and adapting to climate change.

2. **Additionality** – The project needs to add value by building on what is there already and not duplicating existing efforts. The project also needs to generate clear public benefit.
3. **Connected to regional stakeholders and frameworks** – Projects must align with regional priorities. They will need to have agreed with relevant local stakeholders.
4. **Governance, risk management and project execution** – Projects will need to be supported by good project processes and those involved in managing projects should have the capacity and capability to deliver the project. Assistance in developing proposals is available.
5. **Projects need to be sustainable in the longer term beyond the Fund's life.** Key people associated with the project need to be of good character.

PGF's structure

The Fund has three investment tiers:

1. **Regional projects and capability:** Support for economic development projects, feasibility studies and capability building identified by the regions.
2. **Sector investment (including One Billion Trees programme):** Investment in initiatives targeted at priority and/or high value economic opportunities.
3. **Enabling infrastructure projects:** Investment in regional infrastructure projects that will lift productivity and grow jobs by linking with and supporting regional economic development initiatives.

Decision making and oversight (including the Independent Advisory Panel)

- The SRO group makes funding decisions on projects of up to \$1 million.
- Decisions on projects of between \$1 million and \$20 million will be made by a delegated group of Ministers (Regional Economic Development, Economic Development, Finance and other portfolios as relevant).
- Decisions on projects above \$20 million will be made by Cabinet.
- An Independent Advisory Panel provides advice to officials and Ministers on large scale and complex proposals from the PGF.
- The Panel is chaired by Rodger Finlay. The other Panel members are Dr Charlotte Severne, Dr David Wilson, John Rae, John Sproat, Neville Harris, Rosie Mercer and Sarah Brown.

Provincial Development Unit

- The government has formed a new Provincial Development Unit. The Unit will be a cross-government focal point for the Government's regional economic development activities.
- The formation of the Unit reflects the increased emphasis by the Government in regional economic development, and is necessary to manage the significantly increased investment the Government is making in the regions.
- The Unit will be responsible for leading the PGF's design, administration and monitoring in consultation with other government agencies.
- The Unit is led by Nigel Bickle, who was the former DCE of Immigration at MBIE.
- The Unit will ensure that government agencies are able to meet Ministers' short and long-term expectations, align and leverage the cross-government activity the PGF envisages, and deliver significant benefits of the PGF to the regions.