

COVER SHEET

2.13 Industry for the future: Manawatu Plastic Recycling, Processing and Reuse Industry Project PGF Application		For: Approve	
Tier: 1 - Regional	Sector: Waste		
Background & context:		Recommendation:	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Manawatu District Council (MDC) <p>Location:</p> <ul style="list-style-type: none"> Feilding, Manawatu <p>Proposal:</p> <ul style="list-style-type: none"> To undertake an options assessment and business case to investigate the development of a viable commercial industry from processing and reuse of plastic waste. <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$ <small>Commercial Inform</small> PGF Funding: \$ 81,864 <p>Background:</p> <p>The MDC has committed \$ <small>Commercial Info</small> to the construction of the new resource recovery facility in Feilding. The proposal represents an opportunity to optimise the benefits of this planned investment in the construction of a recycling and recovery centre, by expanding the scope to include reuse technology and processes.</p> <p>Additional goals from the project would be to:</p> <ul style="list-style-type: none"> Develop an 'innovation hub' within the Resource Recovery Centre to add further value to the facility. This would provide an opportunity for entrepreneurs, schools and community groups to utilise the facilities to innovate with the potential for the development of new commercial products from re-used plastic; and Develop a sustainable business model that could be replicated in other areas across New 		<p>We recommend that the SROs:</p> <p>a) Note That TPK supports the application: "The expansion of scope from recovery and disposal to processing and innovative production of plastic waste products is of interest to whānau, hapu and iwi environmentally, socially and with a view to sustainable long term economic entrepreneurial activity".</p> <p>b) Note That the PGF has assessed the proposal. The main alignment to PGF criteria this project relates to is that it delivers benefit to the community through enhanced sustainability of natural assets. This is achieved through the reduction of the environmental and ecological harm of waste from human and economic activity.</p> <p>c) Note If successful the proposal would:</p> <ul style="list-style-type: none"> Reduce the requirement for, and cost of disposal of reusable refuse; Result in greater capture of waste products to the environment by creating an incentive for recycling. <p>d) Note MfE has not provided direct feedback on this proposal. However, we have received general comment from MfE that "Onshore recycling of plastics into products that have a market is very much needed".</p> <p>e) Support the recommend to approve \$81,864 from the PGF fund towards the Industry for the future: Manawatū Plastic Recycling, Processing</p>	

<p>Zealand</p> <p>The options assessment and business case would focus on:</p> <ul style="list-style-type: none"> • Optimal geographical and volumetric scale to maximise economic sustainability; • Value-added supply chain opportunities; • Detailed regional supply and demand opportunities for plastic reuse; • labour capacity and skills pipelines; • Sustainability of costs and pricing structures; and • Technological inputs and processing. 	<p>and Reuse Industry Project subject to:</p> <ul style="list-style-type: none"> • Commercial Information • 	
<p>PGF criteria that this proposal supports: Note: The benefits identified below would be dependent on the successful introduction of new reuse technology and processes.</p>		
PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
<p>Link with fund and government outcomes</p>		
Creates permanent jobs	The proposal would provide employment opportunities with an estimated ^{Commercial} additional staff required for the application of sorting and plant processes. The potential also exists for 24 hour processing which may further increase the number of staff required.	✓✓✓
Delivers benefit to the community	The proposal has potential to increase employment for low-skilled workers and/or youth, and skilled technicians.	✓✓✓
Increased utilisation and returns of Maori asset base	TPK comments that “Whilst the feasibility study does not explicitly address utilisation and enhanced returns on Māori assets, protection of the environment and more sustainable use of the land is consistent with improving the mauri of the environment”.	✓✓
Enhanced sustainability of natural assets	The proposal will support environmental and economic wellbeing both within the district and across the wider region as alternatives to disposal of plastic waste are generated.	✓✓✓✓
Mitigation of climate change effects	The project is consistent with Central Government commitments to reducing the environmental and ecological harm of waste from human and economic activity. It also supports diversification of the regional economy to include complementary environmentally friendly practices.	✓✓✓
<p>Additionality</p>		

Adding value by building on what is already there	The proposal is an extension of the planned new resource recovery facility and will take advantage of core modern infrastructure.	✓✓
Acts as a catalyst for productivity potential in the region	The delivery of an 'innovation hub' to enable entrepreneurial activity and the creation of new commercial products creates an additional opportunity to support training, education and employment opportunities across all age groups. Economic benefits from increased economic activity and employment will generate further economic returns to the region.	✓✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	The proposal is aligned with the Manawatu District Council's Economic Development Strategy and Horizons Regional Council's Accelerate25 Action Plan.	✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	Letters of support from our Central Economic Development Agency, Rangitikei District Council and Plastics New Zealand	✓✓✓
Governance, risk management and project execution		
Robust project management and governance systems	A Solid waste specialist will need to undertake the work. All procurement will comply with the Manawātū District Council which is based on NZ Treasury Guidelines	✓✓
Risk management approach	Risks identified with appropriate mitigants.	✓✓
Future ownership / operational management	Manawatu District Council ownership	✓✓
The purpose of this briefing is to consider recommending PGF funds to the 'Industry for the future: Manawatu Plastic Recycling, Processing and Reuse Industry' Project.		
Risks Issues:		
Eligibility points of note:		
<ul style="list-style-type: none"> • <i>Due diligence:</i> Entity due diligence not required for a regional authority • <i>Conflict(s) of interest:</i> Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further. • <i>Illegal Activity:</i> Based on the application information provided and feedback from other agencies there is no indication that the applicant or project has been involved in, or associated with illegal activity. • <i>Alignment with Regional development plans:</i> The proposal is aligned with the region's Economic Development Strategy and Accelerate25 Action Plan. • <i>Commercial funding availability:</i> Given the nature of the project which is to develop a business case, access to commercial funding is not considered a feasible option. 		
Consultation undertaken or implications:		

Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	TPK
Supporting proposal:		Yes							
Appendices:		Yes - Applications and supporting letters are as annexes							
Sponsor(s):		N/A							
Manager/Author of paper:		Nick Hough, Investment Team							

PROACTIVELY RELEASED