



RED MINISTERS MEETING 2 MAY 2018

Briefing: Proposed Ōpōtiki Harbour Development - Update

Date:	24 April 2018	Priority:	High
Security classification:	Sensitive	Tracking number:	3078 17-18

Action sought	Deadline
<p>Note the IAP may provide you with independent advice on whether to invest in the Ōpōtiki Harbour Development proposal prior to the RED Ministers meeting on Wednesday 2 May 2018.</p> <p>Note the summary of key issues that IAP identified with the Detailed Business Case that Ōpōtiki District Council provided in support of their PGF application.</p>	27 April 2018

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Nigel Bickle	Head of Provincial Development Unit	NA	Privacy of natural persons	✓
John Doorbar	Regional Economic Development Director	Privacy of natural persons	Privacy of natural persons	
Stuart Taylor	Team Leader, Provincial Development Unit	Privacy of natural persons	Privacy of natural persons	
John Brandeis	Contractor		Privacy of natural persons	

The following departments/agencies have been consulted					
<input type="checkbox"/> Treasury	<input type="checkbox"/> MoJ	<input type="checkbox"/> NZTE	<input type="checkbox"/> MSD	<input type="checkbox"/> TEC	<input type="checkbox"/> MoE
<input type="checkbox"/> MFAT	<input type="checkbox"/> MPI	<input type="checkbox"/> MfE	<input type="checkbox"/> DIA	<input type="checkbox"/> TPK	<input type="checkbox"/> MoH
		<input type="checkbox"/> Other:	Office of Treaty Settlements		

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments:

Consideration of the Ōpōtiki Harbour Development Project

1. The proposed Ōpōtiki Harbour Development project (the proposal) is an agenda item for discussion at the Regional Economic Development (RED) Ministers meeting on 2 May 2018.
2. We understand that the Independent Advisory Panel (IAP), is aiming to provide you with advice on whether the proposal should receive investment prior to the RED Ministers meeting. The IAP will not be in attendance at the RED Ministers meeting.
3. Officials attended both of the sessions where the IAP considered the proposal. We provide a summary of the key factors from IAP discussion impacting the Government's ability to support the proposal below.

Key Factors for the Proposal

4. The IAP deliberation covered a wide range of issues but ultimately centred on four critical areas of concern around the Detailed Business Case (DBC) that Opōtiki District Council provided in support of the proposed Provincial Growth Fund (PGF) investment.
5. Broadly, the Provincial Development Unit (PDU) and other Ministry of Business, Innovation and Employment (MBIE) officials agree with the factors the IAP identified. The four areas are:

Commercial Information



6. Accordingly, we anticipate that the IAP recommendation will be that the Ōpōtiki Harbour Development proposal not receive PGF investment, but that the community be encouraged to consider creative alternative economic development proposals that might be considered for PGF support.
7. The IAP has considered that there could be an impact on the Agreement in Principle (AIP) the Crown reached with Whakatohea for a settlement package in 2017 but this did not appear to impact their view of the fundamental case for harbour investment.



8. Commercial Information

Recommendations

9. **Note** the IAP may provide you with independent advice on whether to invest in the Ōpōtiki Harbour Development proposal prior to the RED Ministers meeting on Wednesday 2 May 2018.
10. **Note** the summary of key issues that IAP identified with the Detailed Business Case that Ōpōtiki District Council provided in support of their PGF application.

Nigel Bickle
Head of Provincial Development Unit

24 / 04 / 2018

PROACTIVELY RELEASED