



## PGF PROPOSALS FOR REVIEW

<b>Date:</b>	24 June 2019	<b>Priority:</b>	Medium
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	3893 18-19

Action sought		
	Action sought	Deadline
Hon Grant Robertson <b>Minister of Finance</b>	<b>Agree</b> to the recommendations outlined in this briefing	26 June 2019
Hon Phil Twyford <b>Minister of Transport</b>		26 June 2019
Hon David Parker <b>Minister for Economic Development</b>		26 June 2019
Hon Shane Jones <b>Minister for Regional Economic Development</b>		26 June 2019
Fletcher Tabuteau <b>Parliamentary Under-Secretary to the Minister for Regional Economic Development</b>	<b>Note</b> the contents of this briefing	26 June 2019

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
David van der Zouwe	Head of Investment Management	Privacy of natural persons	✓
Hannah Lee	Policy Advisor	Privacy of natural persons	
Jessica Sandford	Policy Advisor	Privacy of natural persons	

## Recommendations

### Projects seeking approval from Regional Economic Development Ministers

Ref	Project name	Project description & benefits	Comment	Total cost of project	Proposed PGF Investment	PDU Recommendation	IAP Recommendation
1.	<p style="text-align: center;">Commercial Information - Deferred</p> <p style="text-align: center; color: red; font-size: 2em; opacity: 0.5; transform: rotate(-20deg);">PROACTIVELY RELEASED</p>						

Ref	Project name	Project description & benefits	Comment	Total cost of project	Proposed PGF Investment	PDU Recommendation	IAP Recommendation	
			Commercial Information - Deferred [Redacted content]					
2.			Commercial Information - Deferred [Redacted content]					

PROACTIVELY RELEASED

Ref	Project name	Project description & benefits	Comment	Total cost of project	Proposed PGF Investment	PDU Recommendation	IAP Recommendation
			Commercial Information - Deferred [Redacted]				
3.			Commercial Information - Declined project				

PROACTIVELY RELEASED



Ref	Project name	Project description & benefits	Comment	Total cost of project	Proposed PGF Investment	PDU Recommendation	IAP Recommendation
			<p>Commercial Information - Declined project</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>				
5.	Riverland 'We Grow the People'	<p><b>Applicant:</b> Riverland Fruit Company Limited (Riverland)</p> <p><b>Region:</b> Tairāwhiti</p> <p>Riverland is seeking a mix of grant and loan funding to be allocated over a [Redacted] from the Provincial Growth Fund to expand the family run orchard business. Capex items are sought from the main PGF capex fund, with funding associated with training sought from Te Ara Mahi application.</p> <p>Riverland has begun working with NEETs and hard to place members of Tairāwhiti's workforce. To date, Riverland has hired and trained [Redacted] people with funding assistance from the Ministry of Social Development</p> <p>This proposal seeks to accelerate this programme, providing full-time employment, training and pastoral care to an additional [Redacted] people, bringing the total in this programme to [Redacted]. PGF investment will establish infrastructure and aid the funding of training to enable full-time, year round employment to [Redacted] workers in this programme post its completion.</p> <p>The infrastructure developed will include a [Redacted]. This will enable Riverland to extend its season via niche market offerings and [Redacted]. Riverland will provide training in association with Eastland Institute of Technology to upskill programme participants, as well as gaining skills such as concreting and carpentry</p>	<p>The PDU recommends approval of Riverland's application as a [Redacted] loan from the Provincial Growth Fund, subject to:</p> <ul style="list-style-type: none"> <li>The approval of Riverland's Provincial Growth Fund application for a [Redacted] grant of Te Ara Mahi funding by Regional Economic Development Ministers; and</li> <li>[Redacted]</li> <li>A maximum [Redacted]</li> </ul> <p>Funding has been recommended as a loan. The training component of this application, funded through TAM, will be undertaken via a grant. This will acknowledge the efficiency loss that will result in the short to medium term from employing [Redacted] NEETs and hard to place workforce members and the 'social good' element of this application.</p> <p>The PDU has recommended a higher rate of co-contribution rate from the applicant to meet the PGF criteria [Redacted]. If the application is approved, the PDU anticipates funds will be available to Riverland within two months from the date of approval.</p> <p><b>MSD</b> have noted that the proposal has five different parts - covering off priority areas for Tairāwhiti. The employer has shown good linkages with other local providers across both social and economic areas. They have advised that the projects link well into priority areas for central government such as One Billion Trees, environmental work through waste minimisation and supporting young people into employment.</p> <p>The MSD Labour Market Manager has been working closely with this employer and is about to sign up a [Redacted] for</p>	[Redacted]	<p>Commercial Information</p> <p>[Redacted]</p> <p><b>PDU Recommendation:</b></p> <p>[Redacted] (loan)</p>	Approve	Approve

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		<p>through the infrastructure construction.</p>	<p>people (Which is one part of this application).</p> <p><b>MFAT</b> have recommended a grant for training and capability building can reasonably be classified as Green Box support under the Agreement on Agriculture (AoA). The commercial loan could then be used for capital expansion, as this would not be considered a subsidy under Subsidies and Countervailing Measures Agreement (SCM). <small>Commercial Information</small></p> <p>[REDACTED]</p> <p><b>TPK</b> has not been involved with this organisation or the application, <small>Commercial Information</small></p> <p>[REDACTED]</p> <p>Commercial Information</p> <p>[REDACTED]</p> <p><b>MPI</b> have advised that their regional official have been heavily involved in the proposal, working with the applicant, including contributing to the PDU assessment.</p>				
6.	<p>Commercial Information - Declined project</p>						

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		<p>Commercial Information - Declined project</p> <p>PROACTIVELY RELEASED</p>					





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		Commercial Information -Prejudice to negotiations					

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