



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI



BRIEFING

Taranaki Economic Action Plan – Proposals for Consideration

Date:	2 March 2018	Priority:	High
Security classification:	In Confidence	Tracking number:	1984 17-18

Action sought		
	Action sought	Deadline
Rt. Hon Jacinda Ardern Minister for Arts, Culture and Heritage	Agree to invest up to \$5.0 million in the Taranaki Cathedral Project.	9 March 2018
Hon Kelvin Davis Minister of Tourism	Agree to invest up to \$5.0 million in the Taranaki Cathedral Project.	
Hon Grant Robertson Minister of Finance	Agree to invest up to \$ Commercial Information in the Taranaki Crossing Experience.	
Hon Phil Twyford Minister of Transport		
Hon David Parker Minister of Economic Development		
Hon Shane Jones Minister for Regional Economic Development		
Hon Eugenie Sage Minister for Conservation	Agree to invest up to \$ Commercial Information in the Taranaki Crossing Experience.	
Fletcher Tabuteau Parliamentary Under-Secretary for Regional Economic Development	For your information.	

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Stephanie Weller	RED Implementation Manager	Privacy of natural persons	Privacy of natural persons	✓
Mark Patterson	Senior Advisor	Privacy of natural persons		

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 Withdrawn |



BRIEFING

Taranaki Action Economic Plan – Proposals for Consideration

Date:	2 March 2018	Priority:	High
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Purpose

The Taranaki region has been working with central government since mid-2016. The region wants to launch its Regional Economic Action Plan, which includes requests for central government support.

As part of the launch, the Ministry of Business, Innovation and Employment (MBIE) received two applications to the Regional Growth Initiatives Multi-Year Appropriation to fund the:

- a. Taranaki Cathedral Church of St Mary New Plymouth (up to \$5.0 million); and
- b. Taranaki Crossing Experience (up to \$Commercial Information).

As a Minister with delegated authority for proposals up to \$20 million [CAB-18-MIN-0005 refers], MBIE seeks your approval to invest up to \$5.0 million in the Taranaki Cathedral Project, and up to \$Commercial Information in the Taranaki Crossing Experience.

The Regional Economic Development delegated Ministers Group consisting of Ministers Robertson, Twyford, Parker and Jones will be meeting on Monday 12 March 2018, along with relevant portfolio Ministers to consider the applications.

Recommended action

The Ministry of Business, Innovation and Employment recommends that the **Minister for Arts, Culture and Heritage, Minister of Tourism, Minister of Finance, Minister of Transport, Minister of Economic Development, and Minister for Regional Economic Development:**

- a **Note** as a Minister with delegated authority for proposals up to \$20 million, approval is sought from the Minister for Arts, Culture and Heritage, Minister of Tourism, Minister of Finance, Minister of Transport, Minister of Economic Development, and Minister for Regional Economic Development, together with any other relevant portfolio Minister [CAB-18-MIN-0005 refers].

Noted

- b **Note** Senior Regional Officials have reviewed the proposal and recommend investment from the Regional Growth Initiatives Multi-Year Appropriation in the Taranaki Cathedral Church of St Mary New Plymouth.

Noted

- c **Approve** as one of the delegated Ministers the proposal of up to \$5.0 million in the Taranaki Cathedral Project from Vote Business, Science and Innovation Regional Growth Initiatives Multi-Year Appropriation.

Approve / Decline



The Ministry of Business, Innovation and Employment recommends that the **Minister of Tourism, Minister of Finance, Minister of Transport, Minister of Economic Development, Minister for Regional Economic Development, and Minister of Conservation:**

- d **Note** as a Minister with delegated authority for proposals up to \$20 million, approval is sought from the Minister of Tourism, Minister of Finance, Minister of Transport, Minister of Economic Development, and Minister for Regional Economic Development, together with any other relevant portfolio Minister [CAB-18-MIN-0005 refers].

Noted

- e **Note** Senior Regional Officials have reviewed the proposal and recommend investment from the Regional Growth Initiatives Multi-Year Appropriation in the Taranaki Crossing Experience.

Noted

- f **Approve** as one of the delegated Ministers the proposal of up to \$13.340 million in the Taranaki Crossing Experience Project from Vote Business, Science and Innovation Regional Growth Initiatives Multi-Year Appropriation, for Cabinet approval.

Approve / Decline

Stephanie Weller
RED Implementation Manager,
Labour, Science and Enterprise, MBIE
..... / /

Rt. Hon Jacinda Ardern
Minister for Arts, Culture and Heritage
..... / /

Hon Kelvin Davis
Minister of Tourism
..... / /

Hon Grant Robertson
Minister of Finance
..... / /

Hon Phil Twyford
Minister of Transport
..... / /

Hon David Parker
Minister of Economic Development
..... / /

Hon Shane Jones
Minister for Regional Economic Development
..... / /

Hon Eugenie Sage
Minister of Conservation
..... / /



Taranaki and the Regional Economic Development (RED) Programme

1. The Taranaki region was included in the RED Programme in July 2016 as a region experiencing positive economic outcomes but looking to diversify and grow. Initiated by the Taranaki Mayoral Forum, New Plymouth District Council (on behalf of the four local councils of Taranaki¹) commissioned a consultant to develop an economic strategy for the region.
2. On 31 August 2017, the Taranaki strategy 'Tapuae Roa – Make Way for Taranaki' (the Strategy) was officially launched in New Plymouth, supported by the lead team, comprised of representatives from the four councils of Taranaki, business leaders, representatives from the eight local Iwi² of Taranaki, and central government.
3. Since the launch of the Strategy, the lead team have drawn up a regional economic action plan, which outlines how the region will meet these objectives.

The Taranaki Historical Cathedral Project

4. MBIE received an application from Taranaki's Historical Cathedral Project Board seeking Regional Growth Initiatives Multi-Year Appropriation support for the restoration and protection of New Zealand's oldest stone church, Taranaki Cathedral Church of St Mary New Plymouth.
5. Through the 'Tapuae Roa – Make Way for Taranaki' Regional Economic Action Plan, the Cathedral has been identified as a key priority project for the region.
6. The Cathedral as it stands was built in a number of stages over its 175 year history. The building has significant cultural and historical significance to both the immediate community and its visitors. It portrays the settlement of Europeans in the Taranaki region and the proceeding relationship between Māori and Pakeha over the past 175 years.
7. The Cathedral Project will secure the Taranaki Cathedral for the people of New Plymouth, the Taranaki region and the nation. This project will:
 - a. Upgrade, re-energise and restore the Cathedral, safeguarding a Category 1 Heritage building and its history for generations to come;
 - b. Showcase the story the buildings tell of the relationship between Māori and Pakeha; a story of pride and shame that will resonate with all New Zealanders; and
 - c. Create another nationally significant tourism offering in the Taranaki region that combines with existing key tourism offerings such as Parihaka and Mount Taranaki to showcase the history of Taranaki.
4. A detailed business case of the full Taranaki Cathedral Project is attached as **Annex One**.

Who is contributing to the Taranaki Historical Cathedral Project

5. The table below provides a breakdown of contributors to the Taranaki Historical Cathedral Project.

¹ Taranaki Regional Council, New Plymouth District Council, Stratford District Council, South Taranaki District Council

² Ngati Tama, Ngati Mutunga, Ngati Maru, Te Atiawa, Taranaki, Nga Ruahine, Ngati Ruanui, Nga Rauru



Contributor	Amount	Funding status
Commercial Information	Commercial Information	Confirmed
Commercial Information	Commercial Information	To be confirmed
Central Government (Regional Growth Initiative Fund) - phase one	5,000,000	To be confirmed
Commercial Information	Commercial Information	To be confirmed
TOTAL	Commercial Information	

Mounga ki Moana: Taranaki Crossing Experience Project

6. MBIE received an application from Venture Taranaki Trust seeking Regional Growth Initiatives Multi-Year Appropriation support for the Mounga ki Moana: Taranaki Crossing Experience Project.
7. Through the 'Tapuae Roa – Make Way for Taranaki' Regional Economic Action Plan, the Mounga ki Moana: Taranaki Crossing Experience Project has been identified as a priority tourism project for the region.
8. The region consider Mount Taranaki as the cultural and spiritual heart of the region. It dominates the view from every angle and many consider the Te Mounga to represent home. Recently recognised as a person in its own right during the Mounga settlement process with Iwi, Mount Taranaki is a sacred taonga. As the central hub of Taranaki, both visually and geographically, it stands sentinel to Taranaki's turbulent past and acts as a lynchpin to the wider cultural tourism product and stories throughout the region.
9. The proposed Taranaki Crossing Experience is a series of unique experiences that make up the mountain to sea journey, with the aim of becoming a key tourist attraction in the region. The Experience will also enhance and expand on the Taranaki Mounga Project – a unique, landscape ecological restoration project aiming to increase biodiversity on the mountain.
10. The entire Taranaki Crossing Experience is approximately 41km, between Dawson Falls on the eastern side of Mount Taranaki to Oakura on the edge of the Tasman sea. As part of the project, the North Egmont Visitor Centre, situated approximately 1,000 metres up Mount Taranaki, and its surrounding infrastructure, will be upgraded to a world class visitor centre. The Centre will become the hub of the Taranaki Crossing Experience and be used to educate and inform visitors about local culture, the mountain's significance, history, conservation efforts, biodiversity and flora and fauna.
11. The Taranaki Crossing Experience provides a multitude of experiences including:
 - a. A series of one-day experiences, with accommodation and hospitality;
 - b. Individual one-day experiences;
 - c. A multi-day experience with accommodation in Egmont National Park; and
 - d. An interactive and educational experience at the North Egmont Visitor Centre.

Who is contributing to Taranaki Crossing Experience

12. The table below provides a breakdown of contributors to the Taranaki Crossing Experience.



Contributor	Amount	Funding status
Commercial Information	Commercial Information	Confirmed
Commercial Information	Commercial Information	Confirmed
Commercial Information	Commercial Information	Confirmed
Commercial Information	Commercial Information	Confirmed
Commercial Information	Commercial Information	Confirmed
MBIE Regional Growth Initiative Multi-Year Appropriation	Commercial Information	To be confirmed
TOTAL	Commercial Information	

Central government agency consultation

13. MBIE has consulted with the Ministry for Primary Industries (MPI), Te Puni Kōkiri (TPK), Ministry for Culture and Heritage (MCH), Department of Conservation (DOC) and the Treasury on these two projects.

Risks

Taranaki Historical Cathedral

14. MCH has noted in its feedback that it is supportive of the project, however the Cathedral project is not eligible for Commercial Information

15. Commercial Information

Taranaki Crossing Experience

16. There is a low risk that if the actual capital expenditure costs of the projects overrun the forecast costs, investment ring-fenced for future operating expenditure could be used to cover the shortfall. Venture Taranaki Trust has worked with the DOC on verifying the expenditure required to undertake the necessary upgrades for the experience including building in a ^{Comme} per cent contingency for the project and are comfortable of the forecast budget as it stands.
17. There may be concern that the project will have an environmental impact on the mountain and its surroundings. To mitigate this, the project will enhance the existing landscape, and the ecological restoration project (Taranaki Mouna Project) by improving infrastructure, facilities and links to expanded conservation products while increasing biodiversity on the mountain. Managing the forecasted increased traffic flows, and ensuring that clearly defined, and well managed paths are in place will be pivotal to minimising this risk.
18. MBIE believe that any further risks can be mitigated via further feasibility/business case investigation, and through the investment agreement process.



Next steps

19. The Regional Economic Development delegated Ministers Group is meeting to consider the proposals on Monday 12 March 2018.
20. If you approve investment for the Taranaki Historical Cathedral Project and the Taranaki Crossing Experience, MBIE will continue to work with the region to formalise an announcement, which is anticipated to take place as part of the 6 April 2018 Taranaki Action Plan launch.
21. MBIE will work with your offices and the applicants to proceed with the projects once approved to finalise launch event logistics.

Annexes

Annex One: The Taranaki Historical Cathedral Project Business Case

Annex Two: Mounga ki Moana - Taranaki Crossing Experience Project Business Case



Annex One: The Taranaki Historical Cathedral Project Business Case



Annex Two: Mounga ki Moana - Taranaki Crossing Experience Project Business Case
