



# PROPOSALS FOR REVIEW

## Strategic Tourism Assets Protection Programme – Urgent Applications

<b>Date:</b>	2 June 2020	<b>Priority:</b>	Urgent
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	3572 19-20

Action sought	Action sought	Deadline
Tourism Recovery Ministers Group  Hon Kelvin Davis <b>Minister of Tourism</b>  Hon Grant Robertson <b>Minister of Finance</b>  Hon Nanaia Mahuta <b>Minister for Māori Development</b>  Hon Eugenie Sage <b>Minister of Conservation</b>  Fletcher Tabuteau <b>Under Secretary Regional Economic Development</b>	<b>Agree to the recommendations outlined in this briefing.</b>	<b>3 June 2020</b>

Contact for telephone discussion (if required)			
Name	Position	Telephone	1 <sup>st</sup> contact
Martin Cavanagh	Manager, Investment Management and Performance	s 9(2)(a)	✓
Stuart Taylor	Principal Advisor	s 9(2)(a)	

The following departments/agencies have been consulted

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 Withdrawn           |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



## BRIEFING

### Strategic Tourism Assets Protection Programme – Urgent Applications

<b>Date:</b>	2 June 2020	<b>Priority:</b>	Urgent
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	3572 19-20

#### Purpose

To provide recommendations on the urgent applications to the Strategic Tourism Assets Protection Programme (STAPP).

#### Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a. **Note** that Cabinet agreed to establish a tagged contingency in Budget 2020 for a tourism recovery package and that a component of this package is a Strategic Tourism Assets Protection Programme (STAPP) [DEV-20-MIN-0080 refers]

*Noted*

- b. **Note** that the Tourism Recovery Ministers Group agreed to the parameters and delivery options for the STAPP on 28 May 2020 [Briefing 3344 19-20 refers]

*Noted*

- c. **Note** that the Tourism Recovery Ministers Group retain the ability to consider urgent ad hoc applications where warranted (for example, due to imminent financial failure).

*Noted*

- d. **Note** that, AJ Hackett Bungy NZ Limited and Tourism Holdings Limited (Discover Waitomo) have sought support under urgency due to significant risks of financial failure, reduced operation of a key attractions for New Zealand and loss of highly skilled workforce.

*Noted*

- e. **Agree** to approve a grant of up to \$10,200,000 over two years to AJ Hackett Bungy NZ Limited from the STAPP subject to the following:

- Review of financial documentation;
- Being satisfied strong governance is in place; and
- The applicant signing a contract within 30 working days.

*Agree/Disagree*

- f. **Agree** to approve a grant of up to \$4,000,000 over two years to Tourism Holdings Limited (Discover Waitomo) from the STAPP subject to the following:

- Review of financial documentation;
- Being satisfied strong governance is in place; and
- The applicant signing a contract within 30 working days.

*Agree/Disagree*

g. **Note** that, in order to meet the requested timeframes, MBIE has been unable to deliver this advice jointly with Treasury or to consult substantively with other interested agencies.

*Noted*

h. **Note** that funding will typically be approved for up to two years with instalments paid quarterly in advance. Applicants will be required to submit each quarter a declaration confirming that they continue to operate according to the plan outlined in their funding application. In the event that operating conditions become more favourable MBIE retains the right to terminate the agreement early.

*Noted*

i. **Note** that on 28 May 2020 the Tourism Recovery Ministers Group approved a conditional grant of \$1.5 million for Whale Watch Kaikōura to allow them to pivot to the domestic and Australian markets, meet overhead costs and conduct necessary asset maintenance.

*Noted*

j. **Note** that the strategic assets approved to date are expected to be announced with the opening of the Strategic Tourism Assets Protection Programme on 4 June 2020.

*Noted*



Martin Cavanagh

**Manager, Investment Management and Performance**

Labour, Science & Enterprise, MBIE

2 / 6 / 2020

Hon Kelvin Davis  
**Minister of Tourism**

..... / ..... / .....

Hon Grant Robertson  
**Minister of Finance**

..... / ..... / .....

Hon Eugenie Sage  
**Minister of Conservation**

..... / ..... / .....

Hon Nanaia Mahuta  
**Minister for Māori Development**

..... / ..... / .....

Fletcher Tabuteau  
**Under Secretary Regional Economic  
Development**

..... / ..... / .....

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT