



BRIEFING

Tourism Recovery Package Update – 16 June 2020

Date:	16 June 2020	Priority:	High
Security classification:	In Confidence	Tracking number:	3739 19-20

Action sought		
	Action sought	Deadline
Tourism Recovery Ministers Group Hon Kelvin Davis Minister of Tourism Hon Grant Robertson Minister of Finance Hon Nanaia Mahuta Minister for Māori Development Hon Eugenie Sage Minister of Conservation Fletcher Tabuteau Under Secretary Regional Economic Development	Note the contents of this briefing. Note that the New Zealand Futures Tourism Taskforce Co-Chairs will be attending the next TRMG meeting.	18 June 2020

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Danielle McKenzie	Programme Director, Tourism	04 896 5113	s 9(2)(a)	✓
s 9(2)(a)	Policy Advisor, Tourism System and Insights	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 Withdrawn |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

Tourism Recovery Package Update – 16 June 2020

Date:	16 June 2020	Priority:	High
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Purpose

To provide an update on the Tourism Recovery Package as of Tuesday 16 June 2020.

Recommended Action

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

- a. **Note** the contents of this briefing.

Noted

- b. **Note** that the New Zealand Futures Tourism Taskforce Co-Chairs will be attending the next Tourism Recovery Ministers Group meeting on Thursday 18 June 2020.

Noted

Danielle McKenzie
Programme Director, Tourism
Labour Science and Enterprise, MBIE
16 / 6 / 2020

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

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

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

Fletcher Tabuteau
**Under Secretary Regional Economic
Development**
..... / /

Hon Nanaia Mahuta
Minister for Māori Development
..... / /

Strategic Tourism Assets Protection (STAPP)

STAPP timeline

1. The STAPP application process will close on Thursday 18 June at 5.00pm. MBIE officials are expecting a large volume of applications will be received in the final 48 hours of the application period.
2. STAPP timeline:

Date	STAPP timeline
Thursday 4 June	Applications open
Thursday 18 June	Applications close
Friday 26 June	Preliminary eligibility assessment sent to other agencies for feedback
Tuesday 30 June	Eligibility assessment paper sent to Tourism Recovery Ministers Group (TRMG) for approval
Thursday 2 July	TRMG meeting: confirm eligible/non eligible applications
Tuesday 7 July	Recommendation paper post full assessment of approved eligible assets sent to TRMG
Thursday 9 July	TRMG meeting: consider funding applications
Friday 10 July	MBIE contact applicants to confirm outcome and begin drafting contracts
Proposed Announcement Dates	
Week of 13 July	Two announcements; one for the North Island and one for the South Island

3. As of 10am Tuesday 16 June, 67 applications have been received. None of these applications have indicated a need for urgent support. Businesses have indicated that the extension of the wage subsidy has significantly eased cost pressures.
4. **Annex One** provides an overview of applicants to date. Please note that this is a draft reporting template. Officials will also consider other reporting available, such as the Provincial Development Unit's when finalising the STAPP reporting template.
5. A draft assessment framework (used to assess eligible applications) can be found at **Annex Two**.

STAPP support to date

6. Funding agreements have been signed off with Whale Watch Kaikōura and AJ Hackett Bungy NZ. MBIE are still working with Discover Waitomo to finalise their funding agreement.

Wage subsidy extension

7. The STAPP programme is designed to maintain core strategic tourism assets up to a minimum viable product. Support received through the MSD wage subsidy and wage subsidy extension will be considered when determining how much funding an asset should get.

Regional Tourism Organisations funding progress

8. Tourism Recovery Ministers Group (TRMG) approved \$20.2 million for 31 RTOs, acknowledging their important role in supporting the tourism system. Local government support for many RTOs was at risk.
9. Eligibility for support extended to RTOs who as of 1 June 2020, were official members of Regional Tourism New Zealand (RTNZ). As the peak body for New Zealand's RTOs, RTNZ encourages better coordination amongst RTO's as well as engaging with RTOs and consulting on issues critical to the development of the regional tourism sector in New Zealand.
10. MBIE has been approached by other organisations outside of the RTNZ network that would be ineligible for STAPP RTO funding. These organisations include: Enterprise North Canterbury, Whanganui Māori Regional Tourism Organisation, Whakatāne District Council and the Chatham Islands.
11. RTNZ believe there could be up to 60 organisations across the country that undertake similar functions to RTOs at a district scale. MBIE is encouraging the 31 official RTO members to collaborate and partner with other organisations to ensure there is a coordinated and consistent approach in the region.
12. On Friday 12 June 2020, the Investment Plan template was sent out to all 31 RTOs for completion. These are due back to MBIE on 3 July 2020.
13. The Investment Plans will be assessed on a case-by-case basis and agreed between the RTO and MBIE. RTNZ will assist with the assessment and TNZ will provide advisory support as required.
14. On Tuesday 23 June 2020, RTNZ and MBIE will be running a workshop for the 31 RTOs. The workshop is an opportunity to discuss draft Investment Plans, TNZ's domestic marketing programme, share learnings and collaborate.
15. MBIE and RTNZ will undertake a short survey to establish a baseline, and inform what RTO Support Programme could look like over the following 12 months.

Other aspects of the tourism system

16. We anticipate that a large number of applications will not receive support through the STAPP, but collectively, may be of strategic importance to the tourism system. This includes Inbound Travel Operators (ITO), i-Site network and tourism trade events such as TRENZ.
17. We may recommend carving out funding for these collectively strategic aspects of the system like the funding approved for Regional Tourism Organisations (RTO) through the STAPP. We will provide you further information and recommendations in the coming weeks on this.

Tourism Transitions Programme

18. Officials are working with New Zealand Trade and Enterprise on using the Regional Business Partners network. The next phase will look at further options, such as one-to-many supports and whether any ongoing costs can be mitigated by the Crown. Officials will provide an update for the next TRM meeting.

New Zealand Futures Tourism Taskforce

19. The New Zealand Futures Tourism Taskforce Co-Chairs will be attending the next Tourism Recovery Ministers Group meeting on Thursday 18 June 2020. This is an opportunity to meet the Co-Chairs, discuss initial ideas, membership and what you'll like the Co-Chairs to achieve.
20. We will provide you with a separate brief for the latest on the New Zealand Futures Tourism Taskforce [briefing 3633 19-20].

Annexes

Annex One: Draft STAPP Reporting Dashboard

Annex Two: Draft Assessment Framework

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

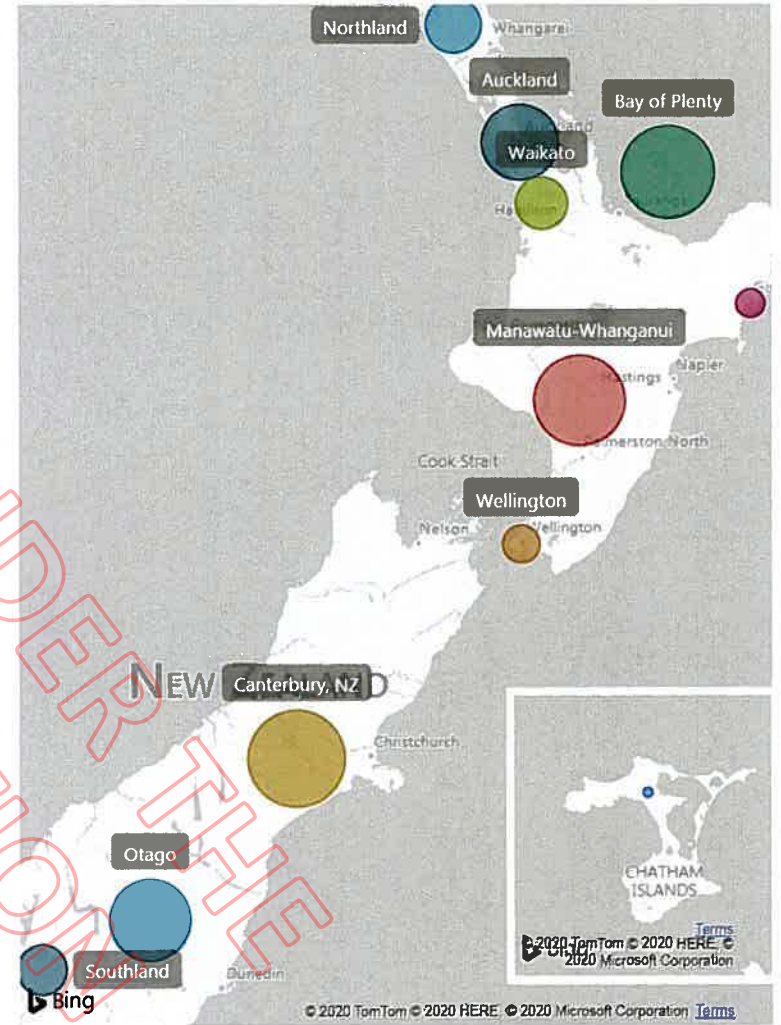
Annex One: Draft STAPP Reporting



Strategic Tourism Assets Protection Programme



s 9(2)(b)(ii)



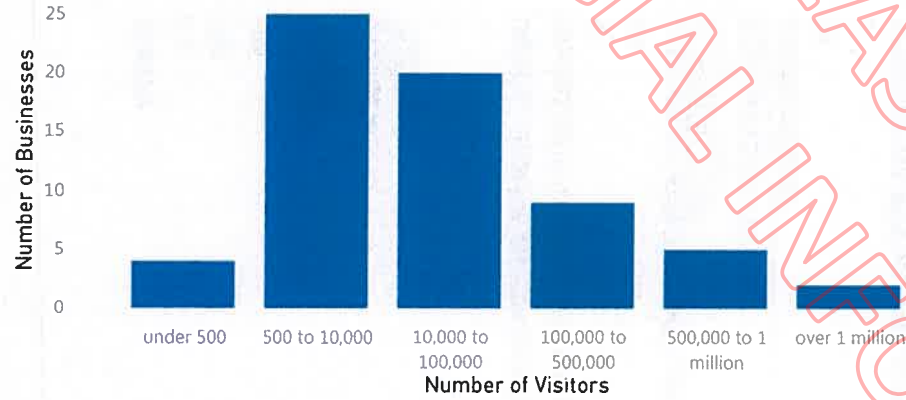
Commercial In-Confidence

Strategic Tourism Assets Protection Programme
as at 16 June 2020

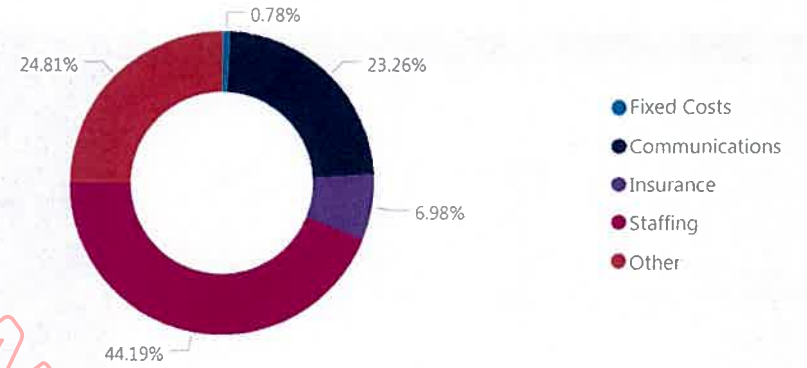
Eligible
 (Blank)
 No
 Yes

Approved
 (Blank)
 No
 Yes

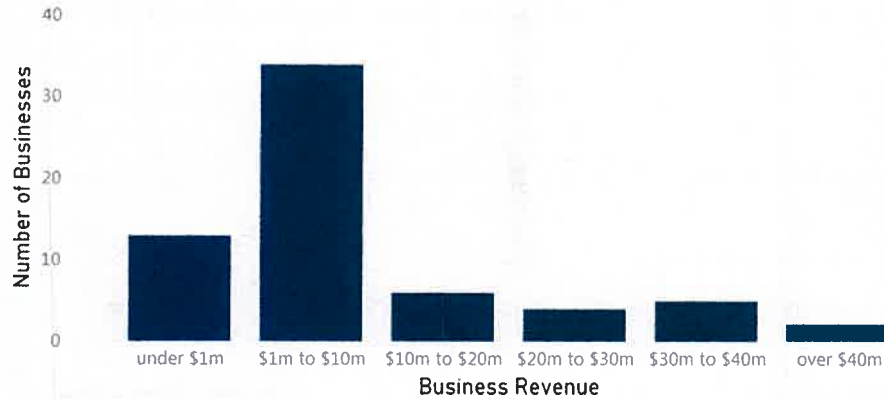
Number of Visitors (Before COVID)



Funding Categories



Business Revenue (2019)



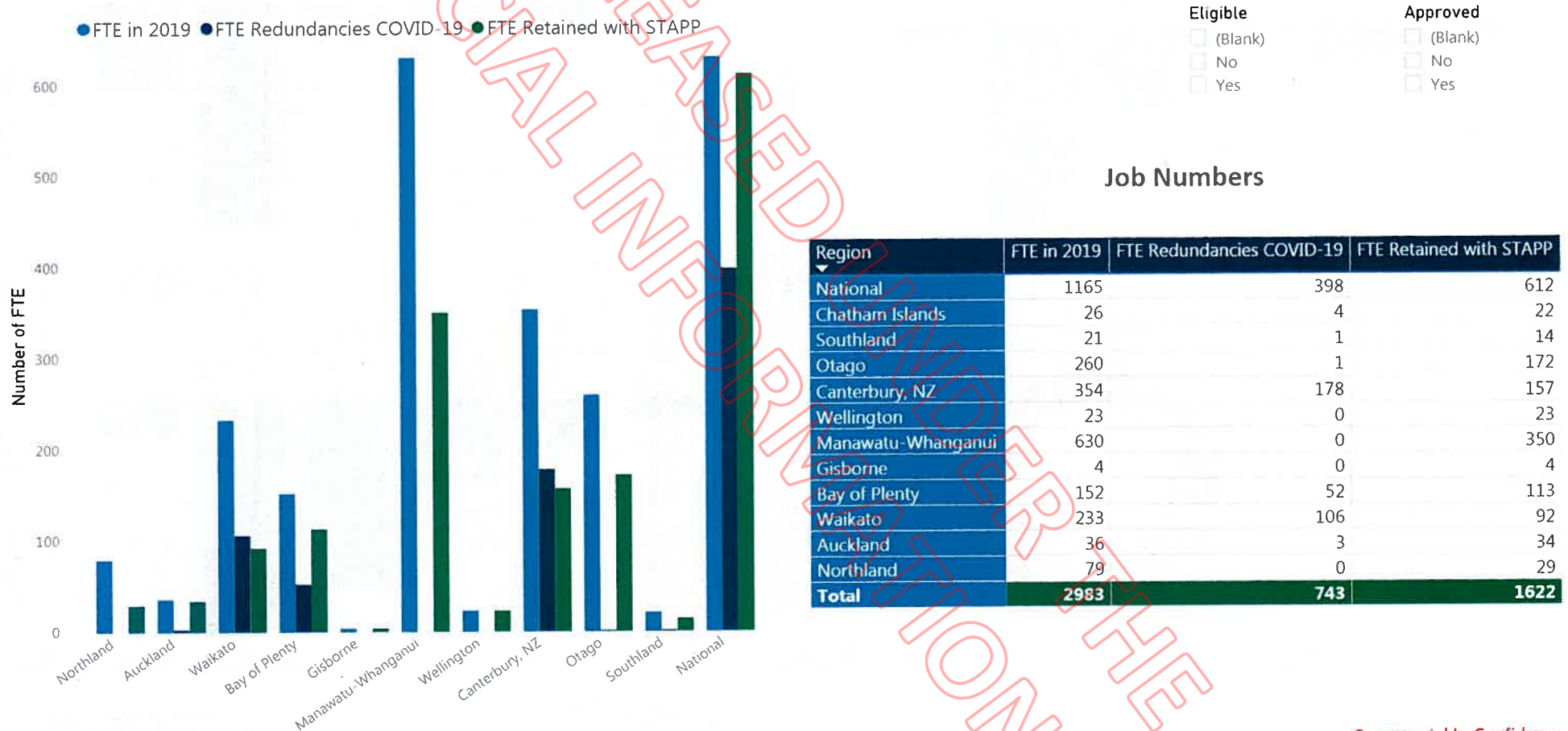
Business Size (Before COVID)



Commercial In-Confidence

Strategic Tourism Assets Protection Programme

as at 16 June 2020



Commercial In-Confidence



Strategic Tourism Assets Protection Programme

as at 16 June 2020

Eligible

- (Blank)
- No
- Yes

Approved

- (Blank)
- No
- Yes

Business Trading Name	Total Funding Requested	Grant Approved	Loan Approved
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[Redacted Content]			
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Tourism Business Type

- Access
- Amenity
- Attraction

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Commercial In-Confidence

Strategic Tourism Assets Protection Programme
as at 16 June 2020

Eligible
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 No
 Yes

Approved
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 No
 Yes

Tourism Business Type
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Business Trading Name	Total Funding Requested	Grant Approved	Loan Approved
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as at 16 June 2020

Eligible

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Approved

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[Redacted Content]			

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Annex Two: Draft Assessment Framework

STAPP ASSESSMENT: NAME OF ASSET

Ref	APPLICATION DETAILS	ASSET DESCRIPTION AND COMMENT	ASSESSMENT AGAINST CRITERIA (OUT OF 5)																																																																																
1.	<p>ASSET NAME:</p> <p>APPLICANT:</p> <p>REGION:</p> <p>TYPE:</p> <p>STAPP FUNDING SOUGHT:</p> <p>FINANCIALS</p> <table border="1"> <thead> <tr> <th rowspan="3"></th> <th colspan="4">Funding Requested</th> <th rowspan="3">Commentary on Reasonableness</th> </tr> <tr> <th colspan="2">2020/21</th> <th colspan="2">2021/22</th> </tr> <tr> <th>Grant</th> <th>Loan</th> <th>Grant</th> <th>Loan</th> </tr> </thead> <tbody> <tr> <td>Wages</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Operating Expenditure</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Fixed Costs</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Repairs & Maintenance</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <th rowspan="3"></th> <th colspan="4">Funding Recommended</th> <th rowspan="3"></th> </tr> <tr> <th colspan="2">2020/21</th> <th colspan="2">2021/22</th> </tr> <tr> <th>Grant</th> <th>Loan</th> <th>Grant</th> <th>Loan</th> </tr> <tr> <td>Total</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Financial position based on previous two years profit and loss statements (NB: assessed at face value only. Full due diligence not undertaken)</p> <table border="1"> <tr> <td>Significant Risks</td> <td></td> </tr> <tr> <td>Some Risks</td> <td></td> </tr> <tr> <td>Sound</td> <td></td> </tr> </table> <p>COMPANIES OFFICE DUE DILIGENCE</p> <table border="1"> <tr> <td>Risks</td> <td>No Risks</td> </tr> <tr> <td></td> <td></td> </tr> </table> <p>RECOMMENDATION MBIE Tourism recommends that you approve up to \$ xxxxx / Decline</p>		Funding Requested				Commentary on Reasonableness	2020/21		2021/22		Grant	Loan	Grant	Loan	Wages						Operating Expenditure						Fixed Costs						Repairs & Maintenance						Other						Total							Funding Recommended					2020/21		2021/22		Grant	Loan	Grant	Loan	Total						Significant Risks		Some Risks		Sound		Risks	No Risks			<p>DESCRIPTION</p> <p>COVI-19 GOVERNMENT SUPPORT RECEIVED</p> <p>VISITATION</p> <p>JOBS</p> <p>EFFORTS TO ADAPT POST-COVID</p> <p>ADDITIONAL COMMENTS</p>	<p>Nationally and/or internationally recognised</p> <p>Key attraction for New Zealand or a region of New Zealand: Culturally significant (Y/N) Historically significant (Y/N) Environmentally significant (Y/N)</p> <p>Responsible for significant visitation to the region where it is located and, in its absence, visitation to the region would be significantly diminished</p> <p>Generate significant spill over benefits to the region where it is located or be critical to the tourism network in the region.</p> <p>Insurmountable costs/challenges to pausing and resuming operations</p> <p>Not be repurposed or a generic feature of the tourism system</p> <p>Not be within scope of other sector-specific COVID-19 recovery packages, such as the transport and aviation support package.</p> <p>TOTAL</p>
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