

TOURISM RECOVERY MINISTERS GROUP

Friday, 24 July 2020, 2pm-2.45pm
Weekly Meeting, 7.2 Executive Wing

MINUTES

Attendees	Hon Kelvin Davis (Minister of Tourism) Chair Hon Grant Robertson (Minister of Finance) Hon Nanaia Mahuta (Minister of Maori Development) Hon Eugenie Sage (Minister of Conservation)
Apologies	Fletcher Tabuteau (Under Secretary Regional Economic Development), Iain Cossar (MBIE GM) Stephen England-Hall (TNZ CE), Bryan Dunne (DPMC)
MBIE/TNZ/NZMT Officials	Carolyn Tremain (MBIE CE – by phone), Paul Stocks (MBIE DCE), Karl Woodhead (MBIE), Martin Cavanagh (MBIE), Danielle McKenzie (MBIE), Saskia Vervoorn (MBIE), Billie Moore (TNZ GM), Pania Tyson-Nathan (NZMT), Hoki-Mai Chang (NZMT)

Purpose of the meeting

The Minister of Tourism seeks the agreement of Tourism Recovery Ministers today on a package of initiatives that could be announced next week.

Record of Decisions

1. Inbound Tour Operators Funding

Ministers agreed that up to \$20 m would be available for Inbound Tour Operators via loans.

2. Stimulating the Domestic Tourism Market through Events

Ministers agreed to establish a \$50 million Regional Events Fund. Ministers raised some concerns about the most effective mechanism to deliver the Fund and requested officials report back on options, including delivery via the existing Domestic Events Fund (current allocation \$10m). MBIE officials will report back to TRM on Monday 27 July.

3. Lifting Digital Capability in the Tourism Sector

Ministers agreed to:

- \$5 million to Qualmark to provide a service to help tourism operators develop digital strategies and access digital tools, and
- \$5 million to the existing Digital Enablement Package, in order that tourism businesses can specifically benefit from the work that has already been undertaken, this stream would also encourage businesses to join Qualmark.

Follow up note: Minister Davis to forward paper to Minister of Small Business, responsible for the Digital Enablement Package.

4. Strategic Tourism Assets Protection Programme

- Ministers agreed that generic accommodation was not eligible for the STAPP. However, three accommodation providers are eligible due to their significance as tourism attractions to their regions in their own right, with their accommodation offerings being secondary features of the business. These are Larnach Castle, The Hermitage and The Duke of Marlborough.
- Ministers noted that there is to be no double dipping across government COVID-19 response packages. For example, if applicants received funding from DOC's Wildlife

*
see note
below.

Institutions Relief Fund those funding components would need to be removed from the STAPP application.

- Ministers discussed some assets funded by local government and agreed that stadiums and convention centres were ineligible. Ministers agreed that some assets funded by local government were eligible, such as Auckland Art Gallery, Auckland Zoo and New Zealand Maritime Museum.
- Ministers agreed that STAPP applications for s 9(2)(b)(ii) and s 9(2)(b)(ii) be removed and considered separately.
- Ministers recommended that s 9(2)(b)(ii) be declined as the s 9(2)(b)(iii) could quickly return to operation.
- Ministers agreed that all other applications rated 15/30 points and above be approved with a grant of up to \$500,000 for the first year. All remaining funding requested would be available via a loan scheme. The grant would not be dependent on confirmation of the loan.
- Ministers discussed a number of options to operationalise a loan scheme, either by adapting an existing loan scheme, standing up a new loan scheme or contracting a bank to deliver it. Further work needs to be undertaken to explore these options. Officials from the Treasury and MBIE will provide advice on options over the coming weeks.
- Ministers agreed to support all Māori tourism businesses on the eligible STAPP list, including those ranked lower than 15/30 points. New Zealand Māori Tourism confirmed that the amount of funding sought by Māori businesses amounted to \$21 million (excluding Te Puia). Ministers agreed to allocate \$21 million to Māori tourism businesses (from the eligible STAPP applicant list). Funding terms will be the same as the other STAPP successful applicants with a grant of up to \$500,000 and an optional loan making up the total of the requested funding. MBIE officials will work with New Zealand Māori Tourism ahead of any announcement to clarify roles and implementation.
- Ministers agreed that MBIE's work on conditionality for funding is critical and should be progressed as agreed previously.

5. Next Steps and announcements

- Minister Davis will announce the tourism package on Thursday, 30 July 2020. Ministers agreed that not all approved STAPP applicants will be announced but a selection of businesses will be.
- On Monday, officials will:
 - a. Provide a comprehensive communications plan for Thursday's announcements to TRM
 - b. send an update on the STAPP funding allocation by successful applicant based on the Ministers' decisions.
 - c. send letters to successful applicants by close of business and seek confirmation on whether the business name can be included in the announcement. Officials intend on informing unsuccessful applicants at the time of announcement and will provide information on the support available via the Tourism Transitions Programme.
 - d. Provide TRM with an update on options for the delivery mechanism for the Events Fund.

* I've given this further thought and my TRM colleagues agree it is our intention that all successful applicants to the STAPP have grant funding of up to \$500k available over the two years and the remainder available via a loan. I direct my officials to update the relevant applicants as soon as possible ahead of Saturday's announcement.
Stewart Davis