

## 2.06 Establishment of New Zealand's first commercial taro plantation

<b>Project:</b>	<b>Establishment of New Zealand's first commercial taro plantation</b>	<b>FOR:</b>	<b>Approval</b>
<b>Applicant:</b>	Te Raina Charitable Trust (trading as Taro o te ora)	<b>Pipedrive ID:</b>	Commercial
<b>Application type:</b>	WM	<b>(A) Total Project Value:</b>	\$ Commercial Information
<b>Funding type:</b>	Grant	<b>(B) PGF Funding Sought:</b>	\$ Commercial Information
<b>Entity Type:</b>	<b>Registered Charitable Trust</b>	<b>(C) PGF Funding Recommended:</b>	\$241,000
<b>Region:</b>	Northland	<b>(D) Applicant Contribution:</b>	\$ Commercial Information
<b>Tier:</b>	2 - Sectors	<b>(D/A) Co-contribution Rate:</b>	Com % in-kind
<b>Sector:</b>	Agriculture / Horticulture		
<b>Application summary:</b>	<p>This project seeks to establish New Zealand's first commercial taro plantation with the primary objective of the project to provide employment opportunities to people in the Far North (Ngataki). There are currently approximately Commercial Information taro plants on the plantation and PGF funding is forecast to enable a total of Commercial Information taro plants on the plantation by way of the construction of 8,000m<sup>2</sup> of all-weather shelter. The all-weather shelter will expand the taro plantation's capacity as more taro plants will be protected from frosts and similar adverse weather events to ensure the plantation is sustainable long-term.</p> <p>The plantation exists on multiple land blocks, owned by Maori Commercial Information</p> <p>Te Raina Charitable Trust is a registered charitable trust that endeavours to promote, preserve and enhance tino rangatiratanga (self-direction) by introducing better health, welfare, social, housing, education, training and economic development programmes at the individual, whanau, hapu and iwi levels.</p> <p><i>[Please see full project description in the Application Description Section]</i></p>		

### The PDU recommends that SROS:

**Agree to approve up to \$241,000 of grant funding from the PGF towards Te Raina Charitable Trust:**

➤ Because:

- The project creates a new industry in the horticulture sector as currently all taro consumed in New Zealand is imported. The plantation expects to supply approximately Commercial Information of taro tubers to the Auckland market p.a. equivalent to Commercial Information % of the total amount of taro consumed annually in NZ.
- The taro plantation is set to provide job opportunities for people of Ngataki where job opportunities are

scarce. The applicant estimates the project will create [redacted] FTE positions with a further [redacted] casual workers required during picking season.

- The project meets the following whenua Maori principles:
- The land is owned by Māori land owners – [redacted] Commercial Information
- The project increases productivity – The commercialisation of the taro plantation is supported by a business case undertaken by BDO which [redacted] Commercial Information of \$ [redacted] Commercial Information from the [redacted] Commercial Information financial year. The expansion will make it financially viable to operate the taro plantation commercially.
- The project will commence within the timeframe of the PGF – The applicant’s project plan estimates that all construction works will be complete by [redacted] Commercial Information. Brand development, packaging and confirmation of supply chain is expected to be completed by [redacted] Commercial Information
- Land owners have established governance and management arrangements [redacted] Commercial Information. It is proposed that [redacted] Privacy of natural persons will be contracted as project manager for the project with the intention to establish systems that will enable whanau to manage the day to day operations following the conclusion of [redacted] Privacy of natural persons contract.
- There is no evidence that indicates negative impacts on water quality and climate change.

➤ subject to:

- Te Raina Charitable Trust providing the PDU with a current quote for the cost of the all-weather shelter. The quote that PDU has received expired in February 2019.
- Te Raina Charitable Trust providing a procurement plan for commissioning a suitable project manager, to the satisfaction of the PDU.
- [redacted] Commercial Information
- [redacted] Commercial Information

➤ Note:

- [redacted] Commercial Information. However, the trust is contributing an in-kind labour contribution of at least \$ [redacted] Commercial Information necessary to construct the all-weather shelter.
- The taro plantation will be located on two land blocks [redacted] Commercial Information
- The quote obtained for the construction of the all-weather shelter expired [redacted] Commercial Information
- The applicant claims the taro plantation expansion would qualify as “Green Box support” under WTO obligations as it is identified as a surge area of economic growth.
- That the project manager identified for the project, [redacted] Privacy of natural persons
- MFAT notes there are legal risks that grants and concessionary loans for export-related projects, particularly in the agriculture sector, conflict with our international obligations, as per our advice to RED Ministers dated 2 December 2019.
- The risks, in terms of the potential adverse implications for New Zealand’s agricultural export interests as a whole, should be weighed up against well-being benefits to Māori in structurally disadvantaged regions facilitated by the Whenua Māori programme.

<b>Section A: Triage – Assessment against PGF eligibility criteria</b>	
➤ Is the project an illegal activity?	<b>No</b>
➤ Is the project located in the three main metropolitan areas?	<b>No</b>
➤ Is the project seeking investment in large scale infrastructure of social assets?	<b>No</b>
➤ Is the project seeking investment for three waters?	<b>No</b>

## Application description

### Background

Te Raina Charitable Trust is a registered charitable trust that endeavours to promote, preserve and enhance tino rangatiratanga (self-direction) by introducing better health, welfare, social, housing, education, training and economic development programmes at the individual, whanau, hapu and iwi levels.

This project expands an existing taro plantation that is based in Ngataki on the Aupori peninsula, approximately 50km north of Kaitaia. The plantation is across two blocks of Maori owned land that are both held <sup>Commercial Information</sup>

Over the last 12 years <sup>Privacy of natural persons</sup>, has developed a specific variety of taro that is able to cope with New Zealand conditions, which are generally cooler than traditional places of taro production (e.g. the Pacific Islands).

The plantation is located on two land blocks owned <sup>Commercial Information</sup>

### Summary of application

This project seeks to establish New Zealand's first commercial taro plantation with the primary objective of the project being to provide employment opportunities to people in the Far North (Ngataki). Currently, there are approximately <sup>Commercial Information</sup> taro plants on the plantation and PGF funding is forecast to enable <sup>Commercial Information</sup> taro plants (an additional <sup>Commercial Information</sup> on the plantation by way of the construction of 8,000m<sup>2</sup> of all-weather shelter.

The all-weather shelter is necessary to expand the taro plantation's capacity as taro plants require protection from frosts. The shelter also allows for temperature to be regulated during cooler months and for moisture to be in the soil to be retained in order to minimise water use. The plantation has 8,000m<sup>2</sup> of existing shade cover that has provided adequate protection for the current taro plants on the plantation.

The expansion will target the Auckland market for taro, producing approximately <sup>Commercial Information</sup> p.a. The business case undertaken by BDO estimated that <sup>Commercial Information</sup> of taro are consumed annually in NZ.

The table below sets out what activities PGF funding will cover:

Description	Price
Materials and machinery required to construct the all-weather shelter	\$ <sup>Commercial Information</sup>
The construction of a shed to process the taro	\$ <sup>Commercial Inform</sup>
Installation of two water retention tanks	\$ <sup>Commercial Inform</sup>
Business development and marketing	\$ <sup>Commercial Inform</sup>
Obtaining Plant Variety Rights for up to <sup>Com</sup> new NZ developed varieties	\$ <sup>Commercial In</sup>
<b>Total</b>	<b>\$241,000</b>

### Commercial Information

The applicant has obtained a quote for the all-weather shelter which estimates the total cost of materials and machinery to be \$ <sup>Commercial Information</sup> (exc. GST). The application also seeks funding to cover the cost of business development and marketing (\$ <sup>Commercial Informa</sup> and funding to cover costs associated with protecting intellectual property of the taro plant variety (\$ <sup>Commercial Inform</sup>). The cost of business development and marketing includes the cost of project

management.

## Implementation

Te Raina Charitable Trust has sought PGF funding to cover the cost of all of the following:

Description	Price
Materials and machinery required to construct the all-weather shelter	\$ Commercial Informat
The construction of a shed to process the taro	\$ Commercial Inform
Installation of two water retention tanks	\$ Commercial Inform
Business development and marketing	\$ Commercial Inform
Obtaining Plant Variety Rights for up to <sup>Com</sup> new NZ developed varieties	\$ Commercial In
<b>Total</b>	<b>\$241,000</b>

The construction of the all-weather shelter does not require a resource consent because the structure will be used as a crop shelter and will be set-back 3 metres from the neighbouring boundary. Building consent will be required for the construction of the processing shed. The company contracted to construct the processing shed will be responsible for obtaining building consent as part of the contract. Note that the applicant has already 8,000m<sup>2</sup> of shelter to date, showing that the applicant does have the capability to construct the all-weather shelter.

### Commercial Information

The taro growing process does not require additional water to the plantation site however the applicant has sought funding for the installation of two new water retention tanks. These are required to 'future proof the operation for processing requirements'.

Te Raina Charitable Trust has included costs of project management and business development support in its request for funding to ensure that it is able to develop a market for the NZ grown taro. Commercial Information

. We have included a condition that requires the applicant to demonstrate its procurement plan for the project manager.

Being able to obtain Plant Variety Rights for up to <sup>Com</sup> new NZ taro varieties will protect the intellectual property of Te Raina Charitable Trust. Plant Variety Rights cost a minimum of \$<sup>Commerci</sup> and can last for as long as <sup>Comm</sup> years. The applicant has budgeted for as many as <sup>Com</sup> Plant Variety Rights to be obtained.

## Benefits

The provision of PGF funding will enable the taro plantation to get to market within 12 months.

Doubling the number of taro plants currently on the plantation and the plantation's commercialisation will create a number of job opportunities in the far north, specifically in Ngataki. The exact number of jobs required for the taro plantation has not been estimated at this stage.

The project will also result in greater utilisation of Maori owned land. The taro plantation goes across two land blocks, one of which is owned by Privacy of natural persons. The second land block is owned by Privacy of natural persons. The project will allow for the taro plantation to be financially viable and will give Te Raina Charitable Trust the ability to generate self-sustaining funds to be utilised for the benefit of the community. Commercial Information

The commercial taro plantation's feasibility is affirmed by a business case undertaken by BDO. The business case states that being able to secure <sup>Comme</sup> % of the existing taro market would result in an initial annual turnover of \$<sup>Commercial Informato</sup>. Further financial analysis forecasts an annual net profit of \$<sup>Commercial Informat</sup> (excluding GST) by the end of <sup>Commercial Infor</sup>

Commercial Inf

Growing taro domestically also has the potential to reduce the carbon footprint caused by the taro market as less taro will be imported. Imported taro is required to undergo high levels of fumigation in contrast to Te Raina Charitable Trust's taro, which is grown organically and without chemicals. The fumigation process uses methyl bromide to control quarantine pests and is known to be toxic to humans. MPI will require all methyl bromide fumigations to use recapture technology by October 2020 because of its ozone depleting properties.

### Risks

As is the case with most construction projects in NZ, the ability for Te Raina Charitable Trust to source construction labour in the far North poses a risk. The applicant notes that there is labour already organised for the construction of the all-weather shelter and has provided names of some extended whanau who will provide assistance.

### Commercial Information

There is also the risk that the taro potential does not achieve the yields forecasted in the business case. This is considered unlikely due to the work done over the last 12 years developing reliable varieties that suit the Ngataki climate. Normally adverse weather events would also have an impact on yields however, the construction of an all-weather shelter mitigates this risk.

### Recommendation

PDU officials recommend that SROs support the PDU recommendation to provide \$ <sup>Commercial Informat</sup> to Te Raina Charitable Trust to establish New Zealand's first taro plantation because the project meets the following Whenua Maori principles:

- The land is owned by Māori land owners – two land blocks <sup>Commercial Information</sup>
- The project increases productivity – the commercialisation of the taro plantation is supported by a business case undertaken by BDO. The expansion will mean it is financially viable to operate the taro plantation.
- The project will commence within the timeframe of the PGF – the applicant's project plan estimates that all construction works will be complete by July 2020. Brand development, packaging and confirmation of supply chain is expected to be completed by November 2020
- Land owners have established governance and management arrangements – the applicant proposes that <sup>Privacy</sup> will be contracted as project manager for the project with the intention to establish systems that will enable whanau to manage the day to day operations once <sup>Privacy of natural person</sup> contract concludes.
- There is no evidence that indicates negative impacts on water quality and climate change.

### Co-Funding Table

Co-Funder	Pledged/Confirmed/Cash/In-Kind	\$
Provincial Growth Fund	(via this application)	\$241,000
Te Raina Charitable Trust	<sup>Commercial Inform</sup>	\$ <sup>Commercial Informat</sup>
	<b>Total</b>	\$ <sup>Commercial Informat</sup>

### Overseas Investment Office

- |   |           |
|---|-----------|
| ➤ Is the application being made by a non-New Zealand based legal entity? (Foreign investment laws may apply and the Overseas Investment Office consulted) | <b>No</b> |
|---|-----------|

Does the Application have a Te Ara Mahi (TAM) component?

No

**Section B: Operational Assessment Criteria (Complete for EoIs and Applications)***(Rate and comment – 1= poor, 5 = very good - Provide the number for this project, not subsequent phases)***Fund and government outcomes**

Please highlight number below

**Would the project:**

➤ create permanent jobs?	The applicant expects the taro plantation to require <sup>Com</sup> FTEs once it is operating. A further <sup>Co rnia</sup> casual employees will be required for seasonal picking of taro.	N/A 1 2 <b>3</b> 4 5
➤ deliver community benefits?	The commercial taro plantation will establish a new business in Ngataki. The taro plantation will be operated by Te Raina Charitable Trust meaning all profits from the plantation will be used to achieve the trust's objective, which is to promote, preserve and enhance tino rangatiratanga (self-governance) by introducing better health, welfare, social, housing, education, training and economic development programmes at the individual, whanau, hapu, and iwi levels.	N/A 1 2 3 <b>4</b> 5
➤ increase utilisation of and returns on Maori assets?	The current taro plantation is located on a land block owned by <sup>Privacy of natural persons</sup> with the expansion of the plantation to take place on land owned by <sup>Privacy of natural persons</sup>	N/A 1 2 3 <b>4</b> 5
➤ enhance the sustainability of natural assets?	The applicant notes that the process used to grow the taro requires no access to irrigation and has little reliance on water, provided that moisture can be maintained in the soil. The land where the plantation expansion will be located currently has no other alternative productive uses as it is largely wetlands.	N/A 1 2 <b>3</b> 4 5
➤ mitigate climate change effects, or assist with the lowering of emissions?	The applicant notes that taro is currently imported from overseas and hence contributes to New Zealand's carbon footprint. The business case for the taro plantation expansion estimated that approximately <sup>Commercial Information</sup> of taro are consumed in NZ annually, of which Te Raina Charitable Trust is aiming to supply <sup>Commer</sup> % <sup>Commerci</sup> <sup>Commercial Informatio</sup> Whilst this will have a positive impact on lowering emissions, it is unlikely to be a substantial impact.	N/A 1 <b>2</b> 3 4 5

Additionality		
<b>Would the project:</b>		
➤ add value by building on what is already there, without duplicating effort?	Te Raina Charitable Trust has already commissioned BDO to undertake a business case for the commercial taro plantation which has been provided to the PDU. <small>Privacy of natural persons</small> has also been growing taro in Ngataki for the last 12 years developing varieties that are able to flourish in the NZ climate, compared to more conventional taro growing nations like the Pacific Islands. There are currently approximately <small>Commercial Information</small> taro on the plantation and this project will enable an additional <small>Commercial Information</small> to be grown.	N/A 1 2 3 <b>4</b> 5
➤ be a catalyst for productivity potential in the region?	This project will establish a new industry in the horticulture sector, a sector which has been identified as a priority for Northland's development (per Tai Tokerau Northland Economic Action Plan 2016). If proven to be successful the taro plantation operating model has the potential to be used as a template for other landowners to establish taro plantations, particularly in Northland.	N/A 1 2 <b>3</b> 4 5
Connected to regional stakeholders and frameworks		
<b>Does the project:</b>		
➤ align with regional priorities, such as frameworks, or regional plans?	The project aligns with goals set out in the Tai Tokerau Northland Economic Action Plan in that the taro plantation: <ul style="list-style-type: none"> <li>• Will sustainably use land and water resources to increase productivity from current enterprise.</li> <li>• Will support the development of Maori landholdings as a priority for growth.</li> </ul>	N/A 1 2 3 <b>4</b> 5
➤ have the support of local governance groups (councils, iwi and hapu)?	A letter of support from Far North Mayor Hon John Carter has been provided. Consultation as taken place at a whanau level <small>Commercial Information</small>	N/A 1 2 3 <b>4</b> 5
Governance, risk and project execution		
<b>Does the application show:</b>		
➤ robust project management and governance systems?	The applicant notes that the project receives advice from <small>Privacy of natural persons</small> , at a governance and project management level. <small>Privacy of natural persons</small> has been identified as the person responsible for project management and business development. <small>Privacy of natural persons</small>  Part of <small>Privacy of natural persons</small> role will be to establish systems that enable whanau of the Te Raina Charitable Trust to continue running the business when his contract expires.	N/A 1 2 <b>3</b> 4 5



	We have included a condition that requires the applicant to demonstrate its procurement plan for the project manager.	
➤ plans for future ownership and operational management?	<p>Commercial Information</p> <p>Te Raina Charitable Trust plans to operate the taro plantation for the benefit of its beneficiaries. Commercial Information provided the commercialisation is successful.</p>	N/A 1 2 3 4 5
➤ how the project will be delivered and managed?	<p>Privacy of natural persons will act as the construction site manager to ensure the construction projects are delivered on time. Privacy of natural persons has been responsible for the construction of the first 8,000m<sup>2</sup> of shelter demonstrating his experience in delivering construction projects of this scale.</p> <p>The quote obtained for the all-weather shelter expired in February 2019 so prices may be subject to change. Any PGF funding granted to Te Raina Charitable Trust will be subject to the PDU receiving a current quote for the shelter.</p>	N/A 1 2 3 4 5

Section C: Risk Management Evaluation			
Does this application demonstrate consideration of the following risks?			Yes
Type of risk	Risk description	Mitigations	Risk Rating
<input checked="" type="checkbox"/> Project risk	Construction of the all-weather shelter and/or processing shed cannot be completed in time or to specification	<p>Te Raina Charitable Trust notes that it has already organised labour needed to complete the shelter and processing shed. This includes back up help if it is required.</p> <p>Te Raina Charitable Trust has already completed the construction of 8,000m<sup>2</sup> of shelter under the management of Privacy of natural persons so has experience delivering construction projects of this scale.</p>	Low
<input checked="" type="checkbox"/> Operational risk	Te Raina Charitable Trust is unable to secure Privacy of natural persons direct contracts to supply retailers, churches and/or restaurants	<p>Te Raina Charitable Trust aim to Commercial Information</p> <p>[Redacted]</p>	Low

		Commercial Information [Redacted]	
<input checked="" type="checkbox"/> Force majeure/Insurance risk	The amount of taro produced by the plantation does not meet the yields forecast	The variety of taro that will be produced at the plantation has been subject to comprehensive and successful field trials over the last 12 years to ensure the variety is able to survive NZ climate. The project is to construct an all-weather shelter that also protects the plantation from adverse weather events. No detail of Te Raina Charitable Trust's insurance provider has been provided.	Medium
<input checked="" type="checkbox"/> Operational risk	Commercial Information [Redacted]	Commercial Information [Redacted] Funding is subject to the PDU being satisfied that the consideration provided is appropriate.	Medium

**Section D: Funding and financial analysis** Please highlight number below

<b>Does the application show:</b>		
<input checked="" type="checkbox"/> How strong is the financial position of the applicant organisation?	<p>Te Raina Charitable Trust has provided financial reports for 2019 which show the trust [Redacted] Commercial Information [Redacted]</p> <p>Total assets owned by the trust as at 31 March 2019 was [Redacted] Commercial Information [Redacted]</p> <p>Te Raina Charitable Trust also reported a small surplus of \$ [Redacted] Commercial Information [Redacted] for the 2019 financial year. Total revenue (\$ [Redacted] Commercial Information [Redacted]) included a \$ [Redacted] Commercial Information [Redacted] grant from [Redacted] Commercial Information [Redacted] as well as a \$ [Redacted] Commercial Information [Redacted] grant from the [Redacted] Commercial Information [Redacted]</p>	N/A 1 2 3 <b>4</b> 5

<p>➤ How does the scale of the project compare to their overall business?</p>	<p>Privacy of natural persons has successfully grown the taro plantation to its current level of production, with Commercial Information taro plants growing currently. Privacy of natural persons also constructed the first 8,000m<sup>2</sup> of shelter at the plantation. Whilst the balance sheet of Te Raina Charitable Trust shows the project is a significant upscale of the trust's current operations, key personnel are considered to have the appropriate skills to successfully deliver the project.</p> <p>Key personnel include Privacy of natural persons, who will oversee the construction of the shelter and the growing of the taro plants. He will be supported by Privacy of natural persons, who will provide project management expertise and look after the commercial aspects of the project. Privacy of natural person will also be required to ensure quality systems are in place to enable the whanau to continue the day to day administration of the plantation following the conclusion of his contract.</p>	<p>N/A 1 2 3 4 5</p>
<p>➤ Why is Crown funding being sought rather than commercially-available funding?</p>	<p>Commercial Information</p>	<p>N/A 1 2 3 4 5</p>
<p>➤ What does the independent financial analysis/ business case indicate?</p>	<p>N/A</p>	<p>N A 1 2 3 4 5</p>
<p>➤ Is the funding model requested appropriate? Is the PDU recommending a different model?</p>	<p>PDU agrees that the most appropriate funding model is a grant, based on the size of the project and the wider benefits it presents to the far north community. Commercial Information</p>	<p>N/A 1 2 3 4 5</p>
<p>➤ Has the applicant provided evidence of market pull for this project?</p>	<p>Yes – the applicant commissioned BDO to undertake a business case that has been provided to support the application.</p>	<p>N/A 1 2 3 4 5</p>
<p>➤ Has the applicant provided evidence that their supply chain is secure?</p>	<p>The applicant has provided a quote for the cost of the all-weather shelter. The applicant has not provided evidence that it can source sufficient labour for the shelter's construction but has provided a Commercial Information</p>	<p>N/A 1 2 3 4 5</p>
<p><b>Summary of funding and financial analysis:</b></p>	<p>Te Raina Charitable Trust's financial statements Commercial Information</p>	<p>N/A 1 2 3 4 5</p>

## Commercial Information

Because the project unlocks the potential of unproductive Maori owned land, it is appropriate that funding from the PGF Whenua Maori allocation be granted to Te Raina Charitable Trust.

## Funding arrangements

The applicant has provided the following schedule of proposed deliverables and associated payments:

#	Description	Payment criteria	Invoice Value (excl. GST)	Invoice date
1	Initiation payment	Funding agreement signed. Payment will be used to: <ul style="list-style-type: none"> <li>• Fund cost of building materials</li> <li>• Fund <sup>Comm</sup> % of the cost of the project manager</li> <li>• Fund protection of intellectual property</li> </ul>	\$ <sup>Commercial Informat</sup>	Commercial Information
2	Processing building	Upon the issuance of the building consent to build the processing shed and install the two water storage tanks	\$ <sup>Commercial Inform</sup>	Commercial Information
3	Construction complete	Upon completion of processing shed construction. This payment will also be used to cover the remaining <sup>Comm</sup> % of the cost of the project manager	\$ <sup>Commercial Inform</sup>	Commercial Information
4	Balance	Upon the completion of brand development and supply chain contracts in place	\$ <sup>Commercial Inform</sup>	Commercial Information
<b>Total</b>			<b>\$241,000</b>	

Note that the proposed deliverables outlined in the table above will be amended during the contracting stage.

## Consultation from partner agencies undertaken or implications

### MFAT comments:

- *ASCM: Funding is for a grant, so there's a subsidy. For domestic sales only = no risk of prohibited export subsidy.*
- [Redacted] Commercial Information
- [Redacted] Commercial Information

### MFAT have also provided the following general advice for all Whenua Maori applications:

- *MFAT notes there are legal risks that grants and concessionary loans for export-related projects, particularly in the agriculture sector, conflict with our international obligations, as per our advice to RED Ministers dated 2 December 2019.*
- *The risks, in terms of the potential adverse implications for New Zealand's agricultural export interests as a whole, should be weighed up against well-being benefits to Māori in structurally disadvantaged regions facilitated by the Whenua Māori programme.*

### MPI recommendation:

*"That the project is supported on the basis that it will;*

1. *Add value to underutilised Tai Tokerau land;*
2. *Create a new commercial crop in New Zealand;*
3. *Provide economic sustainability to the local community to assist with the funding of social health and wellbeing projects."*

### MBIE Science

*"Here are my thoughts on the taro proposal:*

1. *They wish to increase their plant numbers from [Redacted] to [Redacted] by constructing an 8,000 m2 all-weather shelter. A quick look on the internet indicated that [Redacted] plants/m2 was the optimum density in Hawaii and a New Zealand study indicated a lower number of [Redacted] plants/m2, so the optimum planting in an 8,000 m2 structure would be in the range of [Redacted] to [Redacted] plants, significantly less than the [Redacted] indicated in the proposal. Some further explanation is necessary.*
2. [Redacted] Free and frank opinions
3. [Redacted] Free and frank opinions
4. [Redacted] Free and frank opinions
5. [Redacted] Free and frank opinions
6. *The proposal indicates that MPI Agricultural Investment advisors have visited the operation on many occasions and they are particularly interested 'as a crop that does not require irrigated water or any synthetic chemical and fertilisers than (sic) could have a negative impact on the waterways'. They also talk about 'the potential to utilise unproductive land' and 'the soil can be developed to enable the establishment of the crop. The crop can be developed on land which has limited other options'. [Redacted] Free and frank opinions*

<p>7. <i>Locally grown taro will obviate the need for methyl bromide fumigation, which is excellent.</i></p> <p>8. <i>A copy of the quote to construct the shade house was not included.</i></p> <p>9. <i>I would like more information and a breakdown of costs for the \$<sup>Commercial Inform</sup> requested for business development and marketing.</i></p> <p>10. <i>They mention obtaining Plant Variety Rights for their taro varieties.</i></p> <p>11. <i>No letters of support from the Far North District Council were attached.</i></p> <p>12. <i>The applicant states that they have been growing 8,000 m2 of taro for 12 years, producing leaves, stems and tubers.</i></p> <p>13.</p> <p>14.</p>	<p>Free and frank opinions</p> <p>Free and frank opinions</p> <p>Free and frank opinions</p> <p>Free and frank opinions</p> <p>Free and frank opinions</p> <p>Free and frank opinions</p>
<p><b>Conflicts of interest and T&amp;Cs</b></p>	<p><b>Choose an item.</b></p>
<p>Due diligence has been requested.</p>	
<p><b>Further information from applicant</b></p>	<p><b>Yes - Comments below</b></p>
<p>Following initial assessment, additional information was sought from the applicant:</p> <ul style="list-style-type: none"> <li>2019 Financial statements</li> </ul>	

### Summary statement of Application Review undertaken

The following Review has taken place in connection with this application:

All applications are discussed between the Regions Team and Investment Team during the assessment process and prior to submission to SROs / IAP.

Consultation with the relevant partner agencies has occurred allowing them to provide any relevant technical advice with any feedback included verbatim within this application form.

In the development of this form:

- i. A review by an Investment Director has taken place and included the following to the satisfaction of the reviewer:
  - a. An evaluation against the PGF criteria;
  - b. Financial analysis;
  - c. A risk assessment, highlighting any relevant or key risks;
  - d. Conflicts of interest have been noted and accepted and the reviewer concurs with the recommendation proposed.
- ii. The Head of Investment has reviewed this recommendation.
- iii. This application has been reviewed by the PDU SLT.

Review has been completed

Yes

**Supporting proposal:** Yes

**Appendices:** Yes – Applications and supporting letters are as annexes Withheld - Commercial Information

**Author of paper:** MN, Investment Analyst, Provincial Development Unit  
PS, Investment Director, Provincial Development Unit