

PGF PROPOSALS FOR REVIEW

Date:	6 September 2019	Priority:	Medium
Security classification:	In Confidence	Tracking number:	0679 19-20

Action sought		
	Action sought	Deadline
Hon Grant Robertson Minister of Finance	Agree to the recommendations outlined in this briefing.	11 September 2019
Hon Phil Twyford Minister of Transport Minister for Economic Development		11 September 2019
Hon David Parker Minister for Trade and Export Growth		11 September 2019
Hon Shane Jones Minister for Regional Economic Development		11 September 2019
Fletcher Tabuteau Parliamentary Under-Secretary to the Minister for Regional Economic Development	Note the contents of this briefing.	11 September 2019

Contact for telephone discussion (if required)				
Name	Position	Telephone	1st contact	
David van der Zouwe	Head of Investment Management	Privacy of natural persons	✓	
Hannah Lee	Policy Advisor	Privacy of natural persons		
Jessica Sandford	Policy Advisor	Privacy of natural persons		

Recommendations

Projects seeking approval from Regional Economic Development Ministers

Ref	Project name	Project description & benefits	Comment	Total cost of	Requested PGF	PDU Recommendation	IAP Recommendation
1.	Wood Engineering Technology – Acceleration of Manufacturing Capacity	Applicant: WET Gisborne Ltd Region: Tairāwhiti WET Gisborne Ltd (WGL) has applied to the PGF for two projects: Modifications to the existing pilot plant (G1.1) to take it from a 3.5 days a week operation to a 24/7 operation. Total project value: \$Commercial Information PGF: \$3,100,000 The construction and commissioning of the first full-scale plant (G1.2) to sit next to the existing pilot plant. Total project value: \$Commercial Information PGF: \$Commercial Information Commercial Information WET Gisborne Limited (WGL) is a JV between Wood Engineering Technology Ltd (WET) and	The PDU recommends that \$3.1 million of PGF funding be provided for the completion of the G1.1 only, leaving the market to fund further development. The PDU recommends that you approve WGL's application as a \$3.1 million loan from the PGF subject to the following conditions: a.	\$Commercial Information	Investment \$3.1 million (loan)	Recommendation Approve	Recommendation Conditional Support
2.	Commercial Information - declined project	Commercial Information - declined project	Commercial Information - declined project	Commercial Information - decline	Commercial Information - declined projec	Commercial Inform	Commercial Inform

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Ref	Project name	Project description & benefits	Comment	Total cost of project	Requested PGF Investment	PDU Recommendation	IAP Recommendation
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		Commercial Information - declined project					
3.	Commercial Information - declined project	Commercial Information - declined project	Commercial Information - declined project	Commercial Information - dec	Commercial Information - declined project	Commercial Inform	Commercial Inform

Ref	Project name	Project description & benefits	Comment	Total cost of	Requested PGF	PDU	IAP
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			Commercial Information - declined project				
		Commercial Information - declined project					
	Commercial Information - declined project	Commercial Information declined project	Commercial Information - declined project	Commercial Information - decline	Commercial Information - declined project	Commercial Inform	Commercial Inform
4.	,	Commercial Information - declined project	Commercial information adolined project)		

Ref	Project name	Project description & benefits	Comment	Total cost of	Requested PGF	PDU	IAP
				project	Requested PGF Investment	Recommendation	Recommendation
		Commercial Information - declined project	Commercial Information - declined project				

Ref	Project name	Project description & benefits	Comment	Total cost of project	Requested PGF Investment	PDU Recommendation	IAP Recommendation
5.	Commercial Information - declined project	Commercial Information - declined project	Commercial Information - declined project	Commercial Information	Commercial Information - declin	Commercial Inform	Commercial Inform

Ref	Project name	Project description & benefits		Total cost of project	Requested PGF Investment	PDU Recommendation	IAP Recommendation
			Commercial Information - declined project				

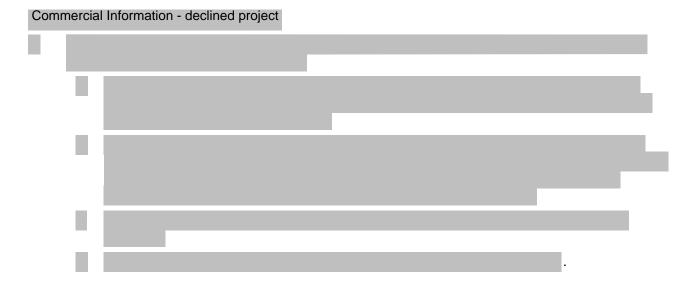
The Provincial Development Unit recommends that you:

Wood Engineering Technology – Acceleration of Manufacturing Capacity (Tairāwhiti)

- 1. **Agree** to approve WET Gisborne Ltd's application as a \$3.1 million loan from the Provincial Growth Fund towards the Wood Engineering Technology Acceleration of Manufacturing Capacity project subject to:
 - a. The Provincial Development Unit negotiating commercial terms of the loan with a fair value write down of zero
 - b. WET Gisborne Ltd supplying a detailed budget for the completion of plant Gisborne 1.1
 - c. Joint Venture partner WET maintaining a controlling interest in the business and parent company for a period reflective of Provincial Growth Fund investment
 - d. Evidence that co-funding is secure.

Agree / Disagree

Commercial Information - declined project	
	Agree / Disagree
Commercial Information - declined project	
	Agree / Disagree



Agree / Disagree



Commercial Information - declined project

	Agree / Disagree
David van der Zouwe	Hon Grant Robertson
Head of the Investment Management	Minister of Finance
Provincial Development Unit	/ /
/ /	/
/ /	
Hon Phil Twyford	Hon David Parker
Minister for Transport	Minister for Trade and Export Growth
Minister for Economic Development	
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Hon Shane Jones	
Minister for Regional Economic Development	
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