

MARTIN
JENKINS

GLOBAL IMPACT VISA EVALUATION

Year 3 Final Report

March 2021





MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT

HĪKINA WHAKATUTUKI

Disclaimer

This document is a guide only. It should not be used as a substitute for legislation or legal advice. The Ministry of Business, Innovation and Employment is not responsible for the results of any actions taken on the basis of information in this document, or for any errors or omissions.

ISBN 978-1-99-001992-0 (online)

April 2021



This work is licensed under the Creative Commons Attribution 4.0 International licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to The Ministry of Business, Innovation and Employment and abide by the other licence terms. To view a copy of this licence, visit <https://creativecommons.org/licenses/by/4.0/>.



CONTENTS

Executive summary

Background

Findings

Policy insights

Recommendations

Report notes

Fellows are making progress and producing outcomes across all domains

Fellows report early outcomes across all domains, and the scale of outcomes is increasing

Three case studies illustrate Fellows' varied experiences and contributions to date

Further detail on outcomes

CREATE – Fellows' early outcomes

SUPPORT – Fellows' early outcomes

INFLUENCE – Fellows' early outcomes

CONNECT – Fellows' early outcomes

ATTRACT – Fellows' early outcomes

More outcomes are expected in future, but support is needed to ensure plans are realised

Fellows expect to deliver more outcomes in future across all domains

1

1

2

5

7

9

11

13

21

26

26

30

35

41

45

53

53

Ecosystem stakeholders expect Fellows' contributions to increase in future, but not to the same levels that Fellows expect

58

Fellows' intentions suggest ongoing commitment to New Zealand, which bodes well for them realising their plans

58

Ongoing support is needed for Fellows to realise their plans and to unlock the full potential of the pilot

58

Pilot implementation continued, despite COVID-19

64

Attraction and selection complete

64

COVID-19 has impacted the number of GIVs that have been issued and Fellows' participation in the pilot

69

EHF continues to evolve and adapt

75

INZ funding for the pilot has ended

75

The public-private partnership has not been straightforward

78

Appendix 1 : Intervention Logic Model

80

TABLES

Table 1: Key inputs to year 3 of the evaluation

9

Table 2: Breakdown of organisations, jobs and salaries created

26



Table 3:	Breakdown of capital invested and governance roles held	30	Figure 7:	Number of Fellows that have invested in their own organisation, another organisation, or both	31
Table 4:	Breakdown of key ATTRACT data	45	Figure 8:	New connections made by Fellows in subsectors of the innovation ecosystem, since joining the Fellowship	41
Table 5:	Breakdown of expected future contributions of C1–6 Fellows	57	Figure 9:	Number of Fellows raising capital by band, 2019 and 2020	46
Table 6:	International Fellows' intentions for permanent residency	58	Figure 10:	Number of Fellows that have raised capital to invest in their own organisation, another organisation, or both	46
Table 7:	EHF analysis of C1–5 International Fellows' qualities	65	Figure 11:	Fellows' reported outcomes to date compared to expected future outcomes	55
Table 8:	Number of International Fellows in New Zealand at 1 November 2020	71	Figure 12:	Expected future outcomes, 2020 and 2019	56
Table 9:	Government funding – spend to date	75	Figure 13:	Summary of cohort number – NZ vs International Fellows	64
Table 10:	EHF revenue streams from project inception to November 2020 – excluding the majority of Acceptance Fees for Cohorts 7 and 8	77	Figure 14:	Granted GIVs compared to not yet granted GIVs, as of 1 November 2020, by cohort	69

FIGURES

Figure 1:	Fellows' assessment of outcomes 2019 v 2020	13
Figure 2:	Proportion of Fellows that report contribution in multiple domains	14
Figure 3:	Locations of Fellows' activities	16
Figure 4:	Fellows' assessment of progress	18
Figure 5:	Fellows assessment of the value of the EHF for supporting success of their ventures	19
Figure 6:	Number of Fellows investing capital in New Zealand-based businesses by band, 2019 and 2020	31



PREFACE

This report has been prepared for the Ministry of Business, Employment and Innovation by Penny Fitzpatrick, Sophie Jessop, Matthew Fanselow and Donella Bellett from MartinJenkins (Martin, Jenkins & Associates Limited).

MartinJenkins advises clients in the public, private and not-for-profit sectors. Our work in the public sector spans a wide range of central and local government agencies. We provide advice and support to clients in the following areas:

- public policy
- evaluation and research
- strategy and investment
- performance improvement and monitoring
- business improvement
- organisational improvement
- employment relations
- economic development
- financial and economic analysis.

Our aim is to provide an integrated and comprehensive response to client needs – connecting our skill sets and applying fresh thinking to lift performance.

MartinJenkins is a privately owned New Zealand limited liability company. We have offices in Wellington and Auckland. The company was established in 1993 and is governed by a Board made up of executive directors Kevin Jenkins, Michael Mills, Nick Davis, Allana Coulon and Richard Tait, plus independent director Sophia Gunn and chair David Prentice.



EXECUTIVE SUMMARY

In this third and final year of the Global Impact Visa pilot evaluation we focus on early outcomes and find that the pilot is 'progressing well'. There is strong potential for the pilot to deliver much greater outcomes in future – especially if support for integration is improved.

- The pilot has established an attraction and selection process that has delivered a full quota of International Fellows that are generally considered to be 'high calibre' – they offer skills and access to networks that are not commonly available in New Zealand.
- Outcomes are beginning to be delivered by early-cohort Fellows who are contributing to New Zealand in a range of ways: Fellows have created New Zealand-based jobs and organisations, invested in and raised capital for New Zealand-based organisations, and held governance roles in New Zealand.
- Quantifiable outcomes reported by Fellows have increased over the last year, despite the delays resulting from COVID-19.
- Most Fellows report high levels of commitment to New Zealand, intend to apply for permanent residency when they are able, and intend to increase their contributions in future (by creating jobs and organisations, and attracting capital and investing in New Zealand organisations).

Fellows are not all expected to contribute to New Zealand at the same scale or in the same ways. Their ventures traverse the domains of wellbeing (economic, environmental, social and cultural) and are pitched at differing scales. The pilot has potential to deliver a lot more outcomes in future, but there is a significant risk that the full potential outcomes will not be realised unless greater support is provided for Fellows as they integrate into New Zealand communities and innovation ecosystems.

International Fellows are currently not able to apply for a GIV or use an existing GIV to enter New Zealand. The full benefit of the pilot will not be known until all International Fellows are able to access New Zealand (when COVID-19-related border restrictions are lifted) and have had time to establish themselves and their ventures in-country.

Background

The Global Impact Visa pilot trials a new class of visa that is designed to attract investors and entrepreneurs

The New Zealand government has been trialling a new visa category – the Global Impact Visa (GIV) – that provides three-year open work visas to International Fellows in the Edmund Hillary Fellowship (EHF). The visa enables International Fellows to work and live in New Zealand and is also a pathway to permanent residency (International Fellows can apply at the end of their three-year visas). The GIV is intended to facilitate the attraction, selection and integration of high-impact international entrepreneurs, investors, change makers and start-up teams who are looking to make a global impact. Impact is expected to increase over many years, as Fellows and their ventures become established.

International Fellows are invited to join the EHF – each cohort of Fellows includes a smaller number of New Zealand Fellows, also selected for their innovation, entrepreneurial and/or investment focus. While it is hoped that International Fellows will eventually choose to settle in New Zealand, they



are not required to live in New Zealand or spend a specified amount of time while holding a GIV.

The pilot was established in 2017, with up to 400 GIVs able to be issued. Delivery of a four-year pilot is being undertaken through a public/private partnership between Immigration New Zealand (INZ) and EHF. Funding for the pilot has been provided by the Ministry of Business, Innovation and Employment (MBIE) over four years, which has now come to an end. Attraction and selection phases of the pilot are complete, though EHF will continue to fulfil their seven-year contract with MBIE to oversee Fellows' integration into New Zealand and to make recommendations for Permanent Resident Visa (PRV).¹

There have been many changes in context over the course of the pilot to date, including:

- a shift in priority and focus for INZ – less emphasis on immigration as an economic lever and more emphasis on INZ's role as a regulator
- the COVID-19 pandemic has led to border restrictions that have prevented International Fellows from applying for GIV and prevented GIV holders from entering New Zealand.

This final year of the evaluation focuses on early outcomes and presents overall observations

MBIE engaged MartinJenkins to undertake an independent evaluation of the pilot over a three-year period (with three annual reports delivered). The evaluation objectives and questions are designed to test the Intervention Logic,² to see whether the pilot has been implemented as intended, and

¹ The Permanent Resident Visa in this report is referred to as the PRV. GIV refers to the temporary work visa.

² The Intervention Logic was developed as part of the evaluation design, see Appendix 1

what outcomes are achieved. The overall objectives of the evaluation are to:

- understand the process in order to support ongoing implementation and continuous improvement
- identify and assess the value of emerging outcomes.

In this third and final year of the evaluation we have focused on the pilot's early outcomes, lessons learned from delivery of the programme, and insights that can be drawn from the pilot for other government policies or programmes. The full impact of the pilot will not be known for many years, as outcomes are expected to increase as International Fellows and their ventures become established.

Findings

The pilot has attracted high-quality individuals

- There are now 521 Fellows: 404 International Fellows³ and 117 New Zealand Fellows.
- The quality and diversity of applicants and selected Fellows has continued to increase.
- Fellows are generally considered to be high calibre, and to bring valuable skills, networks and experience that are not commonly available in New Zealand.

³ Not all International Fellows require a GIV to access to New Zealand, for example Australian citizens and Australian Permanent Residents.



Fellows continue to make progress and produce outcomes – outcomes have increased since last year

- Fellows have created New Zealand-based jobs and organisations, invested in and raised capital for New Zealand-based organisations, and held governance roles in New Zealand. Fellows have:
 - created at least **157 jobs** for New Zealand residents
 - created at least **61 new organisations** based in New Zealand
 - **invested at least \$53.2 million** in New Zealand-based organisations
 - supported New Zealand-based organisations to **raise capital of at least \$576 million**
 - taken on at least **84 governance roles** supporting New Zealand based-organisations.
- Evidence of outcomes is primarily drawn from self-reports from a subset of Fellows from Cohorts 1-5 who responded to our survey and is likely to underestimate the aggregated contribution to date of all Fellows.
- While the majority of Cohort 1–5 Fellows (87%) report progress, the bulk of outcomes are reported by a small number of Fellows. This is to be expected for a pilot focused on innovation and entrepreneurship.
- Fellows' ventures are innovative and many focus on complex, intractable problems, significant to New Zealand and the world. They include ventures focused on health and wellbeing, environmental

⁴ Some Fellows had been granted a GIV, but needed to have entered the country within a prescribed timeframe of granting for the visa to be activated.

outcomes and sustainability, and social equity, culture and community-building.

- Benefits can be seen across New Zealand, but more so in the main centres. The pilot and Fellowship is not well known across the country as a whole, or throughout New Zealand's innovation ecosystem.
- Ecosystem stakeholders have mixed views about whether the scale and type of outcomes they have observed from the pilot to date are in line with their expectations. Some Fellows are also underwhelmed by the aggregated outcomes that the pilot has delivered to date.

The pilot has enabled outcomes that would not otherwise have been achieved

- While attribution is not entirely clear, on balance it is our assessment that without the pilot, most International Fellows would have been less motivated and less able to contribute to New Zealand in the ways that have been observed to date.

Delivery of the pilot, and Fellows' progress, has been impacted by the COVID-19 pandemic and associated border restrictions

- Over the last year, International Fellows have been prevented from applying for the GIV, and GIV holders have not been able to use a GIV to enter⁴ or re-enter New Zealand from offshore.⁵ This has been especially difficult for early-cohort Fellows who had been granted the

⁵ GIV holders are not required to be in New Zealand. Fellows who hold a Permanent Resident Visa (PRV) are free to travel without restriction.



GIV and were in the process of relocating their families to New Zealand when borders closed.

- Following the closure of New Zealand's borders the pilot continued its recruitment processes for the final two cohorts of Fellows (Cohorts 7 and 8) and adapted its induction events to be delivered online (for affected Cohorts 6–8). This means that the full quota of Fellows has now been selected, but more than half of International Fellows are yet to be issued a GIV and most remain offshore.
 - There are now 521 Fellows: 404 International Fellows, and 117 New Zealand Fellows. Over half of the International Fellows were selected to the final two Cohorts (7 and 8) in 2020 after the borders were closed
 - At 1 November 2020, only 151 GIVs had been issued to International Fellows, out of a possible 400
 - On 1 November 2020 only 49 International Fellows were in New Zealand, with offshore GIV holders unable to use an existing GIV to enter New Zealand.
- Most Fellows that joined the pilot before 2020 report that their progress has been slower than expected – largely due to COVID-19 (other reasons were also identified).

It is too soon to determine the full benefit of the pilot – but the direction of travel is positive and the potential for future outcomes is strong

- The full benefit of the pilot will not be known until all International Fellows have been able to access a GIV **and** establish ventures with

a connection to New Zealand (for many this will require time: to visit or relocate to New Zealand, build networks, and assess opportunities).

- The trajectory for Fellows contributing outcomes varies across individuals, with some Fellows better positioned to contribute outcomes immediately on joining the pilot (for example, through investing in an existing New Zealand-based business) and others taking longer but perhaps having potential for a large contribution over time (for example, by creating a transformative start-up).
- Fellows are confident that they will continue to produce positive outcomes, with many reporting tangible plans to create jobs and organisations, and to invest or raise capital for New Zealand-based organisations in the near term.
 - While ecosystem stakeholders have mixed views about the scale and value of outcomes delivered to date, they also expect Fellows (and the pilot overall) to deliver benefits to New Zealand in the future.
- Fellows' positive intentions to apply for a PRV suggest an ongoing commitment to New Zealand, which bodes well for Fellows realising their plans.
 - 22 of the 38 GIV holders that were eligible to apply for permanent residency at 1 November 2020 had submitted an application.
 - Most International Fellows (83%) intend to seek permanent residency when their GIV expires, or have done so already.

Ongoing support is needed for the full potential of the pilot to be realised

- Integration of the Fellows and their visibility in the innovation ecosystem could be improved.



- Demand for better integration support is already high among established Fellows, and the need will increase as large numbers of Fellows from recent cohorts gain access to New Zealand when borders open.
- As EHF shifts gear (from attraction and selection to integration of Fellows), it continues to adapt its approach to integration support.⁶ Yet it remains unclear what ongoing support Fellows can expect from EHF, how support will be funded now that the INZ funding is complete, and what roles other agencies will play in activating the potential of the Fellowship.
 - We note that having secured substantial income from the Acceptance Fees of C7–8 Fellows, EHF is better positioned than this time last year for ongoing provision of integration support. However, it remains unclear whether the funding that has been secured will be sufficient to deliver effective integration support. This funding could also be returned to Fellows if they withdraw from the programme due to ongoing border closures.
 - The majority of EHF interviews were conducted in September–October 2020 as EHF was finalising selection of the last cohort of Fellows and preparing to deliver online induction for Cohorts 7 and 8. EHF had also recently announced a consolidation with its parent organisation, the Hillary Institute. At the time of our interviews, EHF’s strategy for integration continued to focus on peer-to-peer support within the Fellowship. We understand EHF has continued to develop its programme of integration support in recent months.

⁶ For example, they recently created an online directory of Fellows and they are currently collaborating with Callaghan Innovation to take a more structured approach to match Fellows to opportunities.

Policy insights

Observations from the first four years of the pilot provide useful insights for future visa and innovation programmes

- The **purpose** of the pilot continues to be relevant. Ecosystem stakeholders generally agree that there is a need for more innovation in New Zealand and that innovation is important for economic growth. To date there has been limited alignment of the pilot to other government initiatives that seek to address innovation. With improvements, most stakeholders are positive about the potential of the pilot to contribute to innovation and economic growth for New Zealand.
- The **core components** of the pilot, the visa, pathway to residency and the Fellowship work together to attract Fellows and to enable their progress.
 - The **Fellowship** provides instant access to a community of innovators that would not be available through the GIV alone. This component attracted individuals who may not have otherwise shifted their focus to New Zealand, even though many could have accessed New Zealand through other visa classes. It is also reported to be important for supporting Fellows’ integration.



- The flexible **visa** settings are important to most International Fellows, and have enabled patterns of engagement that would not be possible under other classes of visa.
- The **pathway to residency** provides an incentive for Fellows to contribute to New Zealand and to participate in the Fellowship. Some Fellows also believe that it sends a signal about their commitment to New Zealand ecosystem stakeholders.
- The GIV settings have enabled **different patterns of engagement** with New Zealand by International Fellows – ranging from early and full relocation, through to sporadic short visits.
 - The amount of time a Fellow spends in New Zealand is not a good proxy for their engagement, commitment, contribution or future plans. Some Fellows have made significant contributions with very little time spent in -country. It is unlikely that they would have made the same level of contribution without the incentive provided by the visa and the potential for a future PRV.
 - It is too soon to know which patterns of engagement will deliver greater outcomes, especially given the travel disruptions caused by COVID-19.
- The **public-private partnership** has not been without problems.
 - It is generally agreed that the private partner, EHF, has been able to attract and select a **calibre of migrants** that would not have been achieved through a government-administered visa programme.
- The contract enabled a **‘building the plane as you fly’ approach** that embodied a spirit of innovation and agility that is in keeping with the programme’s intent.⁷
- While the pilot does have some accountability mechanisms, the **lack of interim targets for output and outcome measures** has made it difficult to track progress. This is especially problematic as the focus and priorities of the government partner, INZ, have changed over the life of the pilot.
- Having the **same, non-government organisation** responsible for selection, integration and assessment of Fellows’ contribution in the context of PRV creates the possibility of conflict of interest.⁸
 - Having the same organisation responsible for all parts of the process creates incentives that cast doubt over the integrity of selection and PRV decisions for some stakeholders – they would like to see INZ solely responsible for making recommendations on PRV decisions for GIV holders.
 - We have not seen any evidence of inappropriate influence affecting selection or PRV decisions, but even a perception of conflict of interest could result in reputational risk for New Zealand.
 - Some stakeholders believe there has been a disproportionate focus on attraction and selection processes, at the expense of providing effective integration support.

⁷ For example, the pilot adapted to feedback and insights from selection and attraction of early cohorts to adjust processes and the characteristics that they were seeking.

⁸ While Immigration New Zealand is ultimately responsible for issuing Permanent Resident Visas, to be eligible, GIV holders must remain in the Edmund Hillary Fellowship for 30 months, and maintain the support of the Edmund Hillary Fellowship.



- Throughout the pilot, it has been unclear what role **other government agencies** should play in supporting Fellow integration, which may have led to opportunities to support Fellows being missed.
- Insecure **funding** has hindered delivery.
 - INZ funding for the pilot ended in 2020, as planned.
 - Insecure funding hindered delivery at times, and EHF tried a range of strategies to raise funds, some of which may have hindered Fellow integration.
 - Assumptions that the pilot would become self-funding over time looked unlikely last year, but this is more likely now given the funding that EHF secured through Acceptance Fees of C7–8 Fellows. It has proven difficult to raise funding for an immigration programme without compromising the perception that visa and residency decisions are based on individuals' merit and contribution.
 - With selection now complete, no more funds can be expected through Acceptance Fees and it is yet to be seen whether the funding that has been secured will be sufficient to deliver effective integration support going forward.

GIV-holders to use the GIV to enter New Zealand (including those whose GIV has expired due to border restrictions).

- By far the most common feedback to the evaluation was a request from International Fellows for New Zealand to open its borders to GIV holders. While many Fellows report being able to contribute to New Zealand from offshore, most have been hindered by the current lack of access.
- More than half of International Fellows have joined the pilot without certainty about when they will be able to apply for and use their visa. While the New Zealand border remains closed to GIV-holders, these Fellows are eligible to withdraw from the programme and receive a refund from EHF of the acceptance fee they have already paid.
 - It is very likely that New Zealand will forego the potential contribution of these Fellows if they withdraw from the programme.
 - If a significant number of Fellows withdraw there will be funding implications for EHF that will further jeopardise the integration support that can be provided (discussed below).
 - There may also be reputational risks for New Zealand if Fellows are left 'in limbo', without a clear idea of when they will be able to apply for and use their GIV.

Recommendations

Border restrictions continue to impact the pilot

We recommend Immigration New Zealand consider options to provide clarity about the pathway for selected Fellows to apply for the GIV and for

Integration support continues to be needed

As last year, we recommend that the pilot's partners revisit the expected, and potential, roles and contributions of relevant government agencies in supporting Fellow integration, and the mechanisms for providing support.

- While the government funding has ended, the pilot will continue for several years with a focus on Fellow integration.



- In our view, integration support was not considered sufficiently when the programme was designed and there is a substantial risk that without better and more joined-up commitment to activate the Fellowship, the full potential of the pilot will not be met.
- It remains unclear what role the government partner, INZ, and wider government agencies (including other parts of MBIE), will have in supporting Fellow integration beyond the funded period.
- Without adequate support, at best individual Fellows may be slower to integrate in New Zealand innovation ecosystems, and the full potential value of the pilot may not be realised or may be delayed. In a worst-case scenario, New Zealand risks reputational damage if Fellows that have paid substantive sums to join the pilot are dissatisfied with their experience in New Zealand and the support they receive.

The pilot's Permanent Resident Visa process is open to perceptions of conflict of interest

We recommend that MBIE review PRV processes to ensure there are adequate 'checks and balances' in place to ensure total transparency in the PRV process, and to mitigate perceptions of conflict of interest.

- Several people who provided feedback to the evaluation (including Fellows and ecosystem stakeholders) raised concerns about the perceived and actual risks of having the same non-government agency involved with selection, integration and determining support for PRV.
- We have not seen any evidence of inappropriate decisions regarding PRV. However, even a perception of weakness in the PRV decision processes should be addressed.



REPORT NOTES

Findings are based on multiple inputs...

Each year of the evaluation draws on mixed-methods and data sets. Table 1 summarises the key data sources drawn on for this Year 3 report.

Table 1: Key inputs to year 3 of the evaluation

Input / data	Description
Administrative data analysis	<ul style="list-style-type: none"> • EHF data supplied on Applications and Fellows. • INZ data on GIV declines, number of International Fellows in New Zealand at 1/11/20, EHF funding, PRV applications • Information on funding, events and programme details.
Survey: Fellows (open 20/10/2020 to 24/11/2020)	<ul style="list-style-type: none"> • International Fellows 50% response rate, 202 responses <ul style="list-style-type: none"> – Cohort 1 = 7, Cohort 2 = 8, Cohort 3 = 14, Cohort 4 = 10, Cohort 5 = 15, Cohort 6 = 29, Cohort 7 = 59, Cohort 8 = 60. • New Zealand Fellows 42% response rate, 49 responses <ul style="list-style-type: none"> – Cohort 1 = 4, Cohort 2 = 4, Cohort 3 = 4, Cohort 4 = 5, Cohort 5 = 5, Cohort 6 = 4, Cohort 7 = 5, Cohort 8 = 20. <p>Overall, response rates were higher among later cohorts, who were in the process of being inducted into the programme.</p>
Survey: Eco-system (open 26/10/2020 to 2/12/2020)	<ul style="list-style-type: none"> • 41% response rate, 44 responses <ul style="list-style-type: none"> – survey was sent to contacts supplied by EHF

Input / data	Description
Qualitative interviews (conducted September to November 2020)	<ul style="list-style-type: none"> • EHF: 3 team interviews. • MBIE and INZ: 1 individual interview. • Fellows: International Fellows: 16 interviews (4 had fully moved NZ 12 creating value from elsewhere). • Ecosystem: 9 interviews – selected to give a sector-wide view of the three industry case study areas
Additional information and documents supplied by EHF	<ul style="list-style-type: none"> • Success Stories, prepared by EHF for a selection of Fellows • 'Impact' data, aggregated by EHF from their impact surveys and PRV applications

... but timeframes are short, and numbers are small

It is too early to provide an assessment of the quality of outcomes

GIV Fellows have been in the Fellowship for only a short time, from a maximum of approximately 36 months (Cohort 1), to having only just been inducted and awaiting the opportunity to apply for their GIV (Cohorts 7–8).⁹

The evaluation focuses on early outcomes and direction of travel

In the spirit of entrepreneurialism, the pilot was developed without targets. We therefore report evidence of early outcomes activity and direction of travel, rather than whether thresholds have been met or not. By this stage in the pilot, we expect to see Fellows' activity increasing as they are visibly

⁹ These time frames are estimated based on the timing of the evaluation surveys and interviews.



innovating, experimenting, failing fast and trying again. They are collaborating with others in the New Zealand innovation ecosystem (New Zealand businesses, government agencies, and entrepreneurs) and outcomes are beginning to emerge across the outcome domains. Tangible examples of success should be emerging, with a small proportion of GIV migrants making a big difference.

This is an evaluation of the GIV/EHF pilot, not an evaluation of any individual Fellow or their venture.

The programme design expects that, as with any entrepreneur, some Fellows' ventures will 'fail' and that visible, tangible outcomes will take time to emerge.

The primary source of evidence is Fellows' self-reporting

Most of the data comes from self-reporting. Our intention was to triangulate Fellows' self-assessment of their contributions with feedback from ecosystem stakeholders. We had very low engagement with the evaluation from ecosystem stakeholders this year. Where ecosystem feedback is available this is provided, but it should be treated with caution given the low numbers.

Evidence relates to a relatively small subset of Fellows

The programme was severely disrupted by COVID-19 and the impacts of border closures. The analysis refers primarily to Fellows in Cohorts 1–5, because they were already inducted into the programme before COVID-19. Their feedback may not be generalisable across cohorts and non-respondents. In some places we include tangible outcomes and qualitative

comments from Cohort 6 Fellows where they have been reported to us. We signal where this is the case.

Most data was collected in October–November 2020

It is likely that more early outcomes will have been delivered since data was collected as Fellows continue to progress their ventures from New Zealand and abroad.

Language

'International Fellows' refers to anyone who has been selected for the Fellowship and classified as 'International' by EHF. Many of the International Fellows are yet to apply for a GIV, and some do not need a GIV to reside in New Zealand.

A GIV is not required for International Fellows who have the right to reside in New Zealand through their Australian citizenship or Permanent Residence, their partner or another visa category. Those who are permanent residents are counted as New Zealand Fellows, not International Fellows.

Data sets

The report draws on multiple data sets relating to Fellows. Every effort has been made to ensure the data is accurate and consistent, but the total number of Fellows contained in each data set varies.



FELLOWS ARE MAKING PROGRESS AND PRODUCING OUTCOMES ACROSS ALL DOMAINS

Note that evidence of outcomes is primarily drawn from self-reports from a small subset of Fellows (Cohort 1-6 Fellows who responded to our survey). Their responses are likely to underestimate the aggregated contribution to date of all Fellows and responses may not be generalisable across cohorts and non-respondents.



87% of Fellows (C1-5) report outcomes in at least one domain to date

49% of Fellows report CREATE outcomes	55% of Fellows report SUPPORT outcomes	51% of Fellows report INFLUENCE outcomes	53% of Fellows report CONNECT outcomes	33% of Fellows report ATTRACT outcomes
----------------------------------------------------	-----------------------------------------------------	-------------------------------------------------------	-----------------------------------------------------	-----------------------------------------------------

Across all domains, tangible measures of outcomes have increased since last year (reported by C1-6 Fellows)

At least 157 Jobs created	At least \$53.2 million invested in New Zealand-based organisations	Fellows are undertaking wide-ranging activities to influence the innovation ecosystem in New Zealand	Fellows are actively creating connections to the New Zealand ecosystem, and between the New Zealand ecosystem and their international networks	At least \$576 million capital raised
At least 61 New Zealand-based organisations created	At least 84 Governance roles held			



Create	Support	Influence	Connect	Attract
<p>At least 30 Fellows are employing at least 157 New Zealand residents</p> <ul style="list-style-type: none"> • With a total salary bill of \$8,243,335 • The average salary is \$52,505 per employee <p>A further 3 Fellows are outliers employing 55 New Zealand residents on low salaries</p> <ul style="list-style-type: none"> • With a total salary bill of \$100,080 • Salaries average \$2,000 or less <p>37 Fellows have created 61 new New Zealand-based organisations</p> <ul style="list-style-type: none"> • New Zealand Fellows have created organisations at a higher rate than International Fellows (2.8 per New Zealand Fellow compared to 1.2 per International Fellow) <p>Fellows' ventures traverse a wide range of sectors and industries</p> <ul style="list-style-type: none"> • Fellows' ventures often involve innovation in pursuit of solving complex, intractable problems that are of significance to New Zealand and the world (solely, or in addition to commercial return) 	<p>At least 31 Fellows have invested in New Zealand-based organisations</p> <ul style="list-style-type: none"> • At least 75 New Zealand-based organisations have received investment • Investments average \$709,000 per organisation <p>Most of the reported investment has been made by one New Zealand Fellow, who reports investing \$50 million in 10 New Zealand-based businesses</p> <p>Fellows are mostly actively investing in their own organisations</p> <ul style="list-style-type: none"> • 71% of Fellows that report making an investment have done so in their own organisation (either solely, or as well as another organisation) • More than half (56%) have invested in other organisations (either solely, or as well as their own) • Only 29% have only invested in others' organisations 	<p>There are many tangible examples of wide-ranging activities Fellows have undertaken:</p> <ul style="list-style-type: none"> • Encourage innovation and entrepreneurialism directly – for example: <ul style="list-style-type: none"> – Establishing ventures that provide services to start-ups – Building the pipeline of homegrown talent – Thought leadership and sharing ideas and best practice • Influence the environment for innovation <ul style="list-style-type: none"> – Influencing the funding environment for innovation – Undertaking research to build our understanding of the innovation environment in New Zealand – Influencing policy – Supporting innovation-focused agencies to further their work • Increase New Zealand's global reputation for innovation <p>There are some indications that Fellows' activities are beginning to have ripple effects</p>	<p>A third of established Fellows (C1–5) have created connections in every subsector we asked about</p> <ul style="list-style-type: none"> • Only 1 established Fellow has not made any new connections since joining the Fellowship (a New Zealand Fellow who joined Cohort 2) • Local government and central government are the parts of the ecosystem where Fellows have been most likely to have not made any new connections <p>These are also the sectors Fellows find most difficult to engage with, alongside iwi and Māori groups or ventures, and academics and universities</p>	<p>At least 42 Fellows have supported New Zealand-based organisations to raise capital so far</p> <ul style="list-style-type: none"> • \$550 million of this was reported by two Fellows (an International Fellow who supported raising of \$500 million; and a New Zealand Fellow who supported raising of \$50 million) <p>Fellows are most actively raising capital for their own organisations</p> <ul style="list-style-type: none"> • 81% of Fellows that report supporting organisations to raise capital, have done so for their own organisation (either solely, or as well as for another organisation) • half have attracted investment to other organisations (either solely, or as well as their own) • Only 19% have only raised capital for other organisations. <p>Fellows' activities to attract investment include one-off and ongoing initiatives, e.g.</p> <ul style="list-style-type: none"> • setting up new venture capital (VC) funds in New Zealand; programmes to regularly connect offshore investors with New Zealand opportunities. <p>Fellows' activities to attract talent mostly involve recommending entrepreneurs and investors to apply to EHF</p>



Fellows report early outcomes across all domains, and the scale of outcomes is increasing

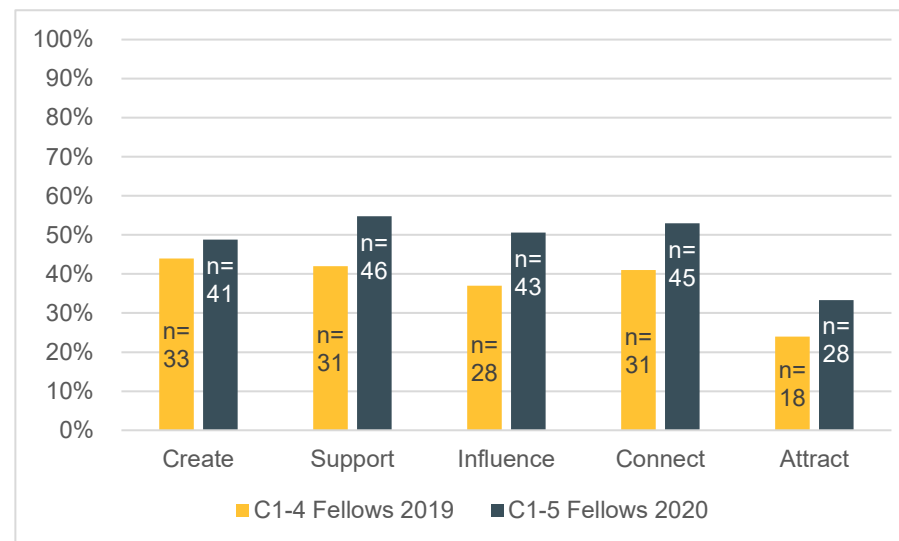
Since last year Fellows have:

- created more New Zealand-based organisations and more jobs for New Zealand residents
- invested more in New Zealand-based organisations, including their own businesses and others'
- taken on more governance roles, and
- supported New Zealand-based businesses to raise more capital.

Outcomes reported by Fellows in relation to these measures are summarised in the table at the start of this section, with more detail later in this report.

Fellows are also more likely to report a 'high' or 'very high' contribution in every early outcome domain compared to last year. The increase is in absolute terms (the number of Fellows reporting a 'high' or 'very high' contribution), and as a proportion of survey responses. The data suggests a positive direction of travel for Fellows who were established in the pilot before the COVID-19 pandemic.

Figure 1: Fellows' assessment of outcomes 2019 v 2020



Source: MJ Fellow survey 2019 Cohort 1-4 (n=75) and MJ Fellow survey 2020 Cohort 1-5 (n=85)

Bar percentages (2019): Create 44%; Support 41%; Influence 37%; Connect 41%; Attract 24%

Bar percentages (2020): Create 48%; Support 54%; Influence 51%; Connect 53%; Attract 33%

Across all measures, the pilot is likely to be achieving even more than we have recorded, as we only have outcomes data from C1-5 Fellows that completed the survey.



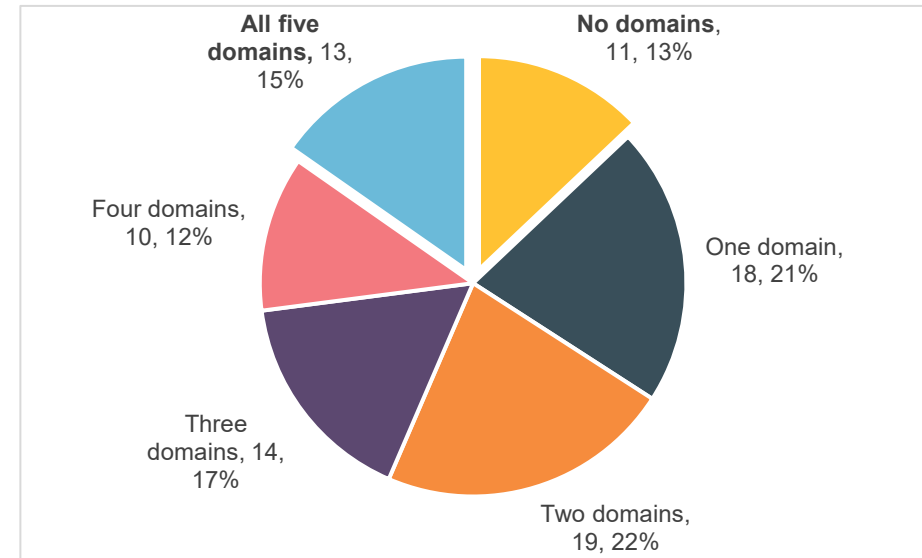
A small number of Fellows report the highest levels of outcomes

Figure 2 shows that most C1–5 Fellows (74 out of 85, or 87%) report making a ‘high’ or ‘very high’ contribution in at least one early outcome domain, which represents an increase compared to last year.¹⁰

Only 13 out of 85 Fellows report a ‘high’ or ‘very high’ contribution in all outcome domains, and for some key outcome measures (such as investments Fellows have made and attracted to New Zealand businesses), the bulk of outcomes are reported by a small number of Fellows. This is to be expected for a pilot focused on innovation and entrepreneurship.

A similarly small number of Fellows don’t report a ‘high’ or ‘very high’ contribution in any domains (11 out of 85). They are most likely to be International Fellows (10/11) and not currently in New Zealand (9/11).

Figure 2: Proportion of Fellows that report contribution in multiple domains



Source: MJ Fellow survey 2020 Cohort 1-5 (n=85)

¹⁰ In 2019, 58 out of 75 (77%) C1–4 Fellows reported a ‘high’ or ‘very high’ contribution in at least one outcome domain.



Activity is reported across New Zealand, but particularly in the main centres

Figure 3, over the page, shows that Fellows are active across the regions of New Zealand, but mostly in the main centres. Auckland, Wellington and Canterbury continue to feature as the regions where Fellows are most actively creating organisations and employing New Zealand residents.

- It appears that Fellows are **employing New Zealand residents** across more regions of New Zealand than they were last year.
- Fellows have **invested in organisations** across most New Zealand regions but more commonly in the large centres.
- Fellows have **supported organisations** across most New Zealand regions to raise capital but mostly in the large centres.

Feedback from ecosystem stakeholders suggests that the pilot continues to have low visibility in most regions.

[The pilot] is still seen as Wellington based even though it is an NZ Inc initiative. It would be great to host workshops in the regions so people outside Wellington have opportunity to see what the GIV is and what EHF offer [Ecosystem stakeholder]

[The pilot] has not perhaps been socialised as well as it could do in the regions [Ecosystem stakeholder]



Figure 3: Locations of Fellows' activities

Number of Fellows employing NZ residents, by employee location



Number of Fellows creating organisations by location of main activities



Number of Fellows investing capital in NZ-based businesses, by location



Number of Fellows supporting NZ-based businesses to raise capital, by location of business



Source: MJ Fellow Survey 2020 (n=251), Multiple options could be selected; Images Powered by Bing © GeoNames, Microsoft, TomTom
 Key refers to number of Fellows reporting each action in each region. Action is captured in the heading for each chart.



Ecosystem stakeholders have mixed views about the scale and value of Fellows' contributions to date

Ecosystem stakeholders that responded to the survey provide mixed feedback about the level of contribution they have observed from Fellows to date. They are generally less positive about the contributions they have observed than Fellows themselves, and in three domains ecosystem stakeholders are also less likely to report a high contribution from Fellows than was reported last year.

The feedback should be treated with caution, because only a small number of ecosystem stakeholders participated in the evaluation survey this year (n=44).

Qualitative feedback suggests there are several reasons for the disparity between Fellows' perspectives and those of ecosystem stakeholders:

- **Low awareness of Fellow activity** – Interviews and qualitative survey feedback revealed that ecosystem stakeholders do not always know that a person they are interacting with is a Fellow, making it difficult for stakeholders to assess Fellows' contributions.

I haven't really been exposed to their activities, or in our travels come across people involved [Ecosystem stakeholder]

- **Low visibility of Fellow activity** – Most Fellows are operating within a subsector of the innovation ecosystem and their activities will often not be visible to individuals outside that subsector.

I find this difficult to quantify – while a small number of Fellows are living in New Zealand, and have I believe started up ventures, I have limited visibility of the scale of activity. Many others are living overseas, and have been influential in conversations and engagement (we have an

EHF Fellow on our Strategic Advisory Council). [Ecosystem stakeholder]

- **Disappointment with the scale of Fellow activity** – Interviews and qualitative survey feedback revealed that some ecosystem stakeholders are underwhelmed with the outcomes of Fellows so far. While they may have been impressed with Fellows' ventures on paper, they expected that in aggregate Fellows would have created more jobs and invested more capital to date.

It appears that beyond a relatively small circle of stakeholders, the GIV pilot and the EHF Fellowship have low visibility in the innovation ecosystem.

Ecosystem stakeholders provide many tangible examples of Fellows' contributing to outcomes across the domains

Despite their relatively low ratings of Fellows' outcomes to date, ecosystem stakeholders provide many examples of Fellows' activities across the outcome domains, some of which are cited below. The abundance of examples corroborates that Fellows are active, but visibility of their activities is likely to be low.

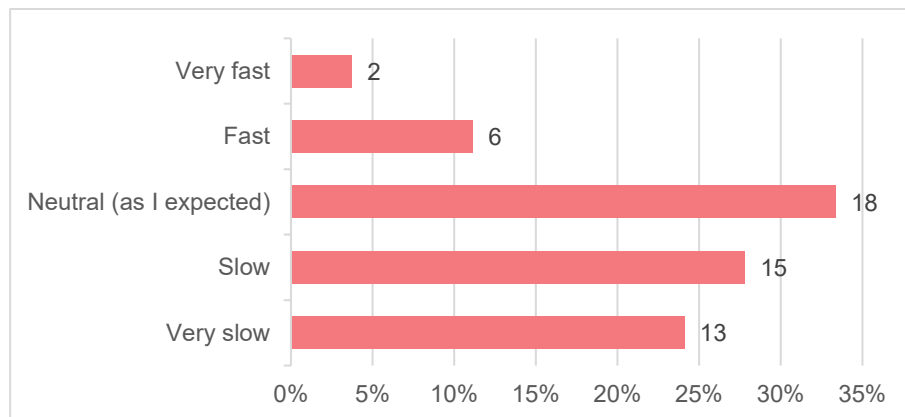
...This is a Fellowship of changemakers, entrepreneurs and people who genuinely want to improve the conditions of the world around us through the work they do in the world. Some are starting new companies, some are seeking partnerships to bring their ideas into NZ, some are setting up new programmes in services of their many different agendas. It is the collective drive that will create an ecosystem and community of changemakers that will then compel others to follow and support these companies. [Ecosystem stakeholder]



COVID-19 has negatively impacted progress

52% of C1–5 International Fellows report that their progress has been slower than expected (Figure 4). This is a large increase compared to last year, when 31% of C1–4 Fellows reported slower than expected progress.

Figure 4: Fellows' assessment of progress



Source: MJ Fellows Survey 2020 Cohorts 1–5 International (n=54)

Delays are primarily, but not exclusively, due to the impacts of COVID-19.¹¹

Many Fellows have been unable to apply for their GIV or gain access to New Zealand even if a GIV had already been granted.

Delays are fully related to COVID travel restrictions [International Fellow]

Difficult to get started without being on the ground [International Fellow]

¹¹ When C6 Fellows are included, 33/47 (70%) Fellows report progress has been delayed entirely or partly (13/47, 28%) by the impacts of COVID-19.

Visa uncertainty and travel disruption were the main impacts of COVID-19 mentioned by International Fellows. Fellows will have also experienced the wider economic and social disruptions of lockdowns and the economic downturn, in New Zealand and globally, which may have impeded their progress in many ways, for example through cancelled events, more difficulty networking, and potential partners having less bandwidth to engage.

In addition to COVID-19, Fellows report a number of different factors that have contributed to slow progress. These include:

- changes to personal and professional circumstances
- not receiving the integration support that they anticipated would be provided through the Fellowship
- it taking longer than they expected for them to understand or break into the innovation ecosystem or relevant sectors in New Zealand.

Business in New Zealand is exceptionally relationship based and it takes real time to build and nurture. Unless internationals have sufficient personal funds to build everything that they need for their project from scratch, projects are dependent on deep relationships within the ecosystem. This takes years, not months. [International Fellow]

For most Fellows, slower than expected progress has not been the result of a single factor, but rather a combination of factors, some of which have compounded each other – for example, the border closures preventing time on the ground in New Zealand coupled with a relationship-based business culture in New Zealand.



It is very likely that more outcomes would have been delivered if there had not been the COVID-19 border closures.

Few Fellows report faster than expected progress. Being present in New Zealand and establishing strong networks are the main reasons Fellows have been able to make faster progress than they had expected.

Main reason why our progress has been fast is because we've spent considerable time on the ground (~5–6 months in New Zealand over the course of a year). [International Fellow]

It is not possible to assess non-participation due to COVID-19

In the context of border restrictions, it is not possible to assess the extent of Fellows' non-participation in the pilot (for example, by not applying for the visa or not activating a visa that has been granted, or by discontinuing their visits to New Zealand and passively dropping out).

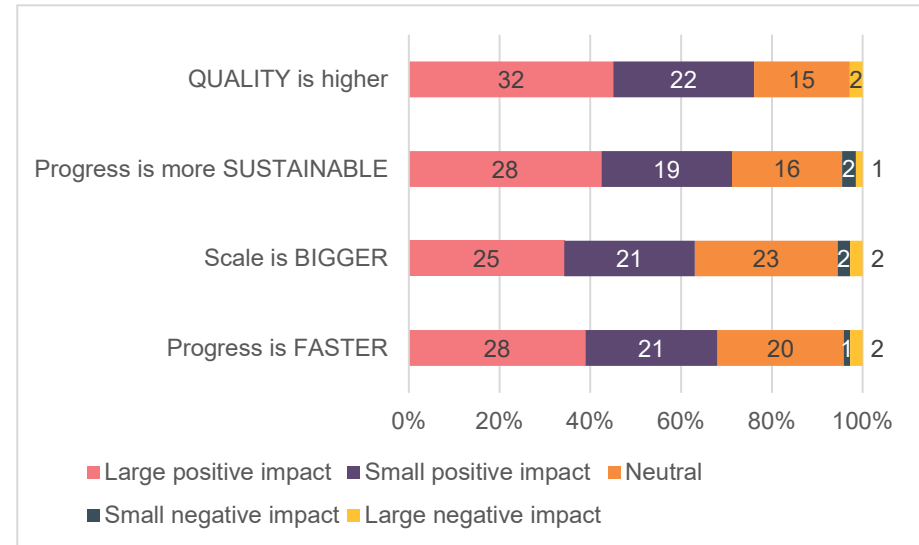
We see some isolated instances of Fellows selected for the programme who did not end up being a good fit (life circumstances prevented participation in ways that could have been anticipated; they found New Zealand was not a good fit for them, revealing insufficient prior knowledge of New Zealand). But there are not many of these instances. Overall, it appears that the selection process has delivered a high rate of Fellows who are engaged and have participated.

The Fellowship has enabled progress for many

Figure 5 shows that most Fellows¹² are positive about the difference the Fellowship has made to them achieving their business and innovation goals.

¹² Ranging from 62%-73% of survey respondents indicating across the dimensions that the EHF Fellowship had a *Large Positive Impact* or *Small Positive Impact* on success of their ventures

Figure 5: Fellows assessment of the value of the EHF for supporting success of their ventures



Source: MJ Fellows Survey 2020, Cohorts 1–5 Fellows (n=74)

The majority of Fellows are positive about the Fellowship, and the support EHF has provided.

The EHF expanded my personal and professional networks tremendously, and exposed me to problems that I had not been aware of. That has been a joy and a great learning experience for me. [International Fellow]

I think EHF holistically provides all of the support I truly need – at least from my current vantage point. That's primarily introductions and connections to other fellows, entrepreneurs in NZ, and influential people



*and companies I can work with to help move my work forward.
[International Fellow]*

A small number are very negative, particularly about the way the Fellowship has been run. Concerns relate to a perceived lack of transparency in the processes and criteria for selecting Fellows and assessing their contributions, and a perceived lack of adequate pastoral care and integration support.

The EHF program and community have not been what I expected. I expected a group of values-aligned, impact-oriented people working in concert to create outcomes that would benefit the greater good. Instead, EHF has eroded my morale for wanting to continue to invest and participate in NZ [International Fellow]

Several Fellows would like to see clearer expectations and processes for holding Fellows to account for implementing their business plans and delivering impact.

If the pilot is extended, I suggest requiring future Fellows, once selected and after their Welcome Week, to develop their own personal plan for impact, with specific commitments and KPIs, followed by the requirement to self-report Quarterly and publicly on progress towards and adjustments to those goals. [International Fellow]

A small number of Fellows report that the culture of the Fellowship has not been supportive, especially for members from minority communities. EHF reports that it engaged an external facilitator at one point to better understand and address concerns that were raised by a small number of Fellows. Further investigation is needed to understand whether issues of inclusion are ongoing.

The pilot has enabled outcomes that would not otherwise have been achieved

The pilot has facilitated stronger links and easier access to New Zealand than would otherwise have been possible for most Fellows. While many Fellows' ventures were already established prior to joining the pilot (some in New Zealand, others overseas with plans to expand to New Zealand), most Fellows are positive about the role the pilot has played in enabling them to achieve outcomes faster, at a greater scale, more sustainably, or of a better quality.

While many International Fellows may have been eligible for other classes of visa, only a small number chose to enter New Zealand through other visas or switched from the GIV to other classes of visa, even in the context of border closures preventing access to GIV holders.

While attribution is not entirely clear, on balance it is our assessment that without the pilot most International Fellows would have been less motivated and less able to contribute to New Zealand in the ways that have been observed to date.



THREE CASE STUDIES ILLUSTRATE FELLOWS' VARIED EXPERIENCES AND CONTRIBUTIONS TO DATE

In year 1 of the evaluation, we presented seven vignettes that provided a snapshot of the selected International Fellows' experiences.

This year, the evaluation explored early outcomes of Fellows, centred around three sectors. Case study summaries are included in the following pages for:

- Technology / Software
- Sustainable Infrastructure
- Venture Capital Investment.

The pilot was not designed to focus on specified sectors. For this reason, the purpose of the case studies is not to **assess** Fellows' aggregate contributions and impact, but rather to present experiences and early outcomes for a selection of Fellows. The case studies bring together survey data, insights from interviews with a subset of Fellows, and insights from interviews with ecosystem stakeholders. Fellows were selected for interview because they are believed by EHF to have been **successful** so far in integrating in New Zealand and implementing their ventures. Each case study is accompanied by profiles of three Fellows, which are included throughout the report. The profiles are based on our interviews with Fellows.

The case studies, and associated profiles, illustrate:

- the wide variety of ventures Fellows are pursuing, even when they are operating in the same sectors

- the range of 'roles' Fellows occupy (or seek to occupy) in a sector (from running a business or delivering a service, to building a sector or influencing government policy)
- Fellows' levels and types of prior experience, skill sets and track records for innovation and entrepreneurialism
- Fellows' varying intentions for participating in the pilot, and the ways those intentions can change over time
- Fellows' varying personal and family circumstances and how circumstances influence the different patterns for engaging with the pilot that Fellows have adopted.

The case studies also illustrate the importance of sector-level factors that can enable or inhibit Fellows' progress. These include:

- government priorities and associated policies and regulatory settings
- locally available capital
- locally available talent
- business culture in New Zealand in general and specific to a sector
- maturity and 'crowdedness' of a sector, and opportunities to fill gaps.

While we do see some examples of Fellows collaborating and leveraging their collective identity within a common sector, this does not appear to be widespread at sector level. Most Fellows are operating independently and in collaboration with local partners.



It was very difficult to identify ecosystem stakeholders to participate in the evaluation, and those who did participate usually had limited visibility of the pilot and of most Fellows' activities within their sector. The case studies suggest that the pilot may need to take more tailored approaches to raise awareness and support Fellow integration across sectors. To better support Fellow integration, stronger partnerships could be brokered between the Fellowship and existing agencies and organisations that have significant presence and mana at sector level, and also between individual Fellows and those agencies and organisations.

Introducing the case studies and Fellow profiles

Technology / Software

The case study highlights the varied ways that Fellows are seeking to contribute to New Zealand, through tech ventures of different scales: from innovative use of AI to help deaf people to connect with information, through to building New Zealand's nascent space industry.

All three profiled Fellows (Emeline Paat-Dahlstrom / SpaceBase, Sahar Izadi / Kara Technologies and Boyd Multerer) are based full-time in New Zealand, with two relocating after they accessed the GIV and one living here prior to joining the pilot. Two of the Fellows have established track records and are considered leaders in their sector. The other Fellow is in the early stages of their career and had an established venture the pilot could help them to progress.

Sustainable Infrastructure

The case study highlights the value Fellows place in the New Zealand government's commitment to sustainability and the enabling environment that has flowed from this.

The profiled Fellows (Harmaan Madon; Tim Derrick / Jeff Schlichting; and Mike Hart) are all 'stuck' offshore due to COVID-19. All four are 'builders', seeking to prototype environmentally friendly energy technologies in collaboration with local partners (including central government, local government, iwi, and major existing sector providers). The Fellows are all innovators, and have varying track records and varying amounts of capital behind them.

Venture Capital (VC) Investment

VC is about more than writing cheques. The case study highlights the varied ways that Fellows are seeking to improve the investment landscape, by plugging gaps, modelling best practice, creating career pathways, and more.

The profiled Fellows (Randy Komisar, Scott Nolan and Rob Vickery) are actively contributing in different ways: one has established an innovative New Zealand-based fund; one is investing directly in New Zealand businesses through a US-based fund; one is providing advice and support to promote sector improvement, without direct investment. All have a strong track record for VC, and are associated with significant global Funds. Two Fellows are currently offshore, and one has relocated to New Zealand during COVID-19, having been granted an exception to the border restrictions for having a critical purpose to travel to New Zealand.



Technology / Software

“There's so much opportunity – it's so easy to create a business and innovate here, so it's the perfect place for other Tech companies to start” International Fellow

42% of surveyed Fellows operate in Tech sector

Tech sector Fellows come from 17 countries, 47% from USA.

Cohort	1	2	3	4	5	6	7	8	Total
NZ	2	0	3	2	4	2	3	9	25
International	5	3	6	3	6	12	23	22	80
Total	7	3	9	5	10	14	26	31	105

Source: MJ Fellow survey

Fellows are positive about the opportunities to contribute to New Zealand's technology sector

NZ Tech sector is established and growing

- Currently generating 8% of GDP and 9% of exports
- Fastest growing segment of NZ economy, and forecast to be NZ's largest export sector within 3–5 years ¹

Fellows and ecosystem stakeholders identify several government policies and actions that create an enabling environment for Tech businesses, for example, by:

- identifying sectors to accelerate and scale through transformation plans including Agtech, food and beverage, forestry, digital, and creative
- investing considerable resources into transformation plans. Plans span government terms, involve cross agency and ecosystem collaboration, cover commercialisation, and how to attract more investment into New Zealand
- launching the New Zealand Digital Council – an independent group of advisors carrying out research, engaging with stakeholder groups and the public, and setting out advice for the Government on the ways technology can benefit society, increase equality and inclusivity as well as improve wellbeing and community resilience
- making government support available to progress tech initiatives, for example Callaghan research and development loans and regional development agencies to provide support and advice.

Interviewees also told of low barriers to entry

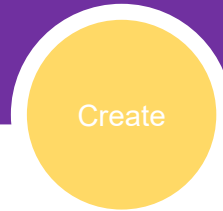
- NZ has integrated innovation systems, which facilitate ease of connection with researchers and it's easy to get involved in advising capacities with universities and organisations
- Māori are seen to be especially innovative and active in this space

Ecosystem stakeholder feedback is mixed

- Ecosystem stakeholders are leveraging Fellows' skills and knowledge, but believe the pilot could deliver more value through better connections to NZ's existing Tech sector

105 Tech sector Fellows report a range of early outcomes

**Source: MJ Fellow survey 2020



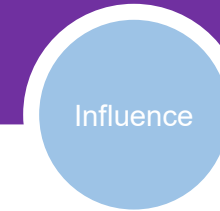
Create

127 jobs created
29 organisations created
53 Fellows have created a venture
Created: online platform for Education around Regenerative Living; Centrality - blockchain R&D; digital identity; data consortiums such as Trust Alliance NZ and Trust Aotearoa



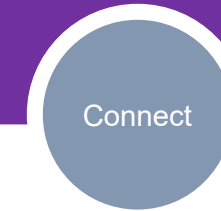
Support

\$52 million invested in tech sector by Fellows
26 Governance roles held
67 Fellows supported existing New Zealand-based businesses with advice/connections



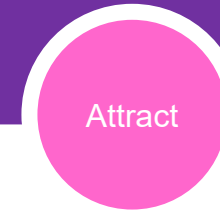
Influence

22 Fellows supported govt to design policy that enables innovation
37 Fellows supported non-govt actors to enable innovation
38 Fellows increased the profile of NZ tech sector abroad
e.g. taking world leading AI innovation to global markets; speaking at international conferences



Connect

67 Fellows supported existing New Zealand-based businesses with advice/connections



Attract

\$19 million capital raised with Fellows' help to support the tech sector

Meet three Fellows pursuing Tech ventures of different scales

All three Fellows are based full time in New Zealand, with two relocating after they accessed the GIV and one living here prior to joining the pilot. Two of the Fellows have established track records and are considered leaders in their sector. The other Fellow is in the early stages of their career and had an early-stage venture that the pilot could help them to progress.

Emeline Paat-Dahlstrom
Philippines-USA
Cohort 1

- Leader in field with established reputation in the **global aerospace** industry
- Cofounder of SpaceBase NZ
- Seeking to build NZ space industry by democratising access to space, increasing opportunities for *everybody* to be part of the industry
- Relocated with husband, also a Fellow, and currently lives in NZ
- On track for PRV

Sahar Izadi
Iran
Cohort 4

- Early career entrepreneur
- Previously in NZ on a study visa with limited options to stay
- Co-founder of Kara Technologies
- Creating world leading **AI technology** to enable communication for Deaf internet users
- Currently lives in NZ
- On track for PRV

Boyd Multerer
USA
Cohort 3

- Leader in field with extensive experience **developing XBOX for Microsoft**
- Founder of Kry10 Limited
- Founder of consulting business Phobos Mining Company
- Relocated with family and currently lives in NZ
- On track for PRV

1. The New Zealand Tech Sector – Key Metrics 2019 Update, retrieved from: <https://nztech.org.nz/wp-content/uploads/sites/8/2020/07/Tech-Sector-Key-Metrics-2019-Update.pdf>

Sustainable Infrastructure (SI)

“New Zealand has all the policy things in place, they have plenty of money, and there’s considerable interest [in sustainable infrastructure]” International Fellow

22% of surveyed Fellows operate in SI sector

SI sector Fellows come from 13 countries, 60% from USA.

Cohort	1	2	3	4	5	6	7	8	Total
NZ	0	1	1	0	1	1	3	1	8
International	2	0	6	3	4	11	14	7	47
Total	2	1	7	3	5	12	17	8	55

Source: MJ Fellow survey

Fellows observe strong signals confirming sustainability is a priority for NZ government and real possibilities NZ could lead the world.

- In 2019 NZ passed the Zero Carbon Bill, setting emission reduction targets and establishing an independent climate change commission. However it is difficult to anticipate what the appetite for renewable energy may be, and how the Zero Carbon Bill will be implemented
- Increases to the landfill levy - from \$10 to \$60 per tonne by 2025, to be extended to apply to construction and demolition landfill from mid-2022 - to divert material from landfill, and recycle revenue into resource recovery and waste minimisation
- NZ could become one of the first OECD countries to have 100% renewable energy

They see unique market opportunities in NZ...

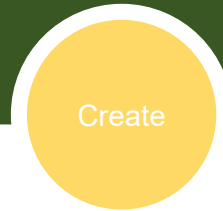
- Local government has capital to invest in sustainable infrastructure – central and local governments own over \$200 billion of infrastructure assets and in the ten years to 2025, the forecast infrastructure spend is over \$110 billion. The Crown’s infrastructure assets alone are worth more than a full year of total output from the economy
- Renewable market has gaps, e.g. lack of solar energy.

... and market challenges.

- A high proportion of NZ energy is already renewable (84%),¹ meaning potential for growth is limited
- Market opportunities are influenced by political process (which creates uncertainty depending on election cycle and stage)
- New Zealand's retail energy market is fully deregulated but generation is not – government holds 51% of the shares in Meridian Energy, Genesis Energy and Mercury NZ²
- The Overseas Investment Office is a unique part of the New Zealand landscape, that some Fellows mentioned took a while to navigate
- Technology costs can be high e.g. solar.

55 Fellows working in the SI sector report a range of early outcomes

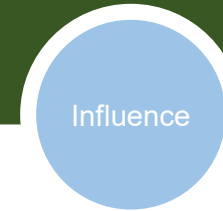
**Source: MJ Fellow survey 2020



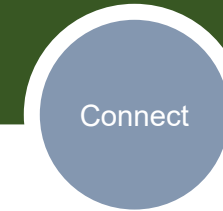
16 jobs created
11 organisations created
25 Fellows created a venture in NZ SI sector



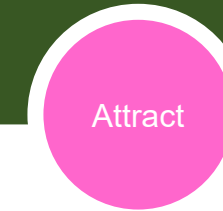
15 Governance roles
13 Fellows invested in existing New Zealand-based businesses in SI sector
\$102,100 invested by Fellows in SI industry businesses
33 Fellows supported existing New Zealand based businesses through advice and connections



11 Fellows have supported Government to design policy that enables innovation
22 Fellows have supported non-govt actors to enable innovation
22 Fellows have increased New Zealand’s Sustainable Infrastructure profile abroad



33 Fellows supported existing New Zealand based businesses through advice and connections



\$221,000 capital raised with Fellows’ help to support the SI sector

Meet three Fellows wanting to contribute to NZ’s sustainability agenda

The profiled Fellows are all 'stuck' offshore due to COVID-19. All three are 'builders', seeking to prototype environmentally friendly energy technologies in collaboration with local partners (including Central Government, Local Government, Iwi, major existing sector providers). The Fellows are all innovators, and have varying degrees of track record and different scale of capital behind them.

Mike Hart
USA
Cohort 4

- Established entrepreneur with extensive experience in alternative **waste management** technology
- Founder of Sierra Energy NZ
- Undertaking discovery for his ‘Net Zero Waste New Zealand’ project
- Currently lives in US
- Would like to move to NZ but feels restricted by restriction on property buying

Tim Derrick
USA
Cohort 4

- 20 years experience in the renewable **energy sector**
- Founder of Helios Energy, which focuses on large scale solar projects
- Currently lives in US
- Intending to relocate to NZ with his family when borders reopen

Harmaan Madon
India
Cohort 6

- Entrepreneur with background in mechanical engineering
- Founder of MAS LLP (Madon Applied Sciences), focused on **creating value from waste**
- Wanting to partner with a NZ council to prototype a waste management project
- Currently lives in India
- In process of relocating to NZ when borders closed

¹ New Zealand Renewable Energy, NZTE, retrieved from <https://www.nzte.govt.nz/page/renewable-energy>

² The Treasury, Types of Companies and entities

Venture Capital, Investment (VC)

“There’s huge passion (in NZ), and a ton of start-ups that have a positive social angle to them.” International Fellow

“The appeal of NZ for US investors are the valuations are more reasonable, our dollars go further in terms of investing into teams, and while some places in NZ are expensive it’s nowhere near what San Fran is” International Fellow

26% of surveyed Fellows operate in VC sector

VC sector Fellows come from 11 countries, 53% from USA

Cohort	1	2	3	4	5	6	7	8	Total
NZ	0	0	2	0	0	0	3	8	13
International	1	4	3	1	3	7	21	11	51
Total	1	4	5	1	3	7	24	19	64

Source: MJ Fellow survey

Ecosystem interviewees regarded successful Investor Fellows as ‘top tier’; extremely well connected; wealthy in their own right; experienced in setting up new funds; have shown commitment to New Zealand.

Fellows are positive about the opportunities to strengthen the VC sector in New Zealand

Investment ecosystem is young compared to overseas markets

- Many founders looking for investment are first time founders, still figuring out and going through the learning process
- Some ‘bad’ practices exist that could be improved e.g. investors offering bad terms, which makes it difficult for companies to raise more money later

The market is attractive

- NZ is seen as one of the few investor markets that hasn’t been slowed by COVID-19
- Valuations are reasonable so investment dollars go further

VC Fellows see opportunities in NZ

- They see a funding gap for Series A and B stage investments (funding rounds for earlier stage companies, ranging between \$1 – \$30 million)
- NZ has relatively low numbers of VCs, so opportunities to provide funding alternatives to funders are high

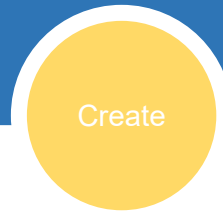
Ecosystem stakeholders expected to see more investment to date

- Some expected to see more contributions from VC Fellows by now, especially investment into early-stage companies and more deal flow
- Ecosystem stakeholders are seeing: increasing awareness of international impact investing from NZ investors; increased understanding by Kiwi founders of the importance of building international relationships

“Many great early-stage investors have come into NZ through EHF. I have seen them coach ventures as well as other investors, and put their money where their mouths are.” Ecosystem interviewee

64 Fellows working in VC sector report a range of early outcomes

**Source: MJ Fellow survey 2020



6 jobs created

4 organisations created

Created: ventures that are helping to fill the Series A and B gap in New Zealand, e.g. Zino Ventures Fund, Nuance and Hillfarrance



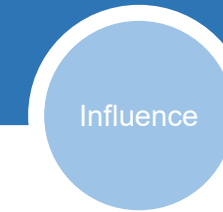
\$180,000 invested in NZ VC sector

6 Governance roles held

28 Fellow have supported an existing fund in NZ

Encouraging best practice e.g. taking less equity; not charging high fees to invest

Advising investee companies with international market and financial strategy

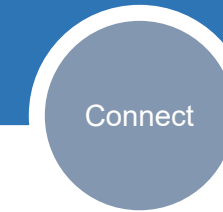


16 Fellows have supported govt to design policy that enables innovation

28 Fellows have supported non-govt actors to enable innovation

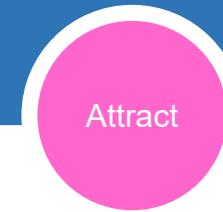
31 Fellows have increased the profile of NZ business investment opportunities abroad

Advising government on its innovation investment e.g. Advisors to NZGCP’s Elevate Fund



Providing access to international VC networks for NZ firms

Frontier firms are tapping into networks New Zealand does not have here e.g. Artificial Intelligence, block chain



\$15,000 capital raised with Fellows’ help to support the Angel/VC sector

15 Fellows have created a Fund in NZ

International Fellows’ activities draw attention from investors outside New Zealand

Companies Fellows invest (or facilitate investment) in receive more interest, enabling prices to be raised

Meet three Fellows shaping NZ VC landscape in different ways

They have established an innovative NZ-based fund, invested directly in NZ businesses through a US-based fund, and are providing advice and support to promote sector improvement, without direct investment. All have a strong track record in VC and are associated with global Funds. Two Fellows are currently offshore, and one has relocated to NZ during COVID-19, switching from the GIV to an Essential Worker visa.

Rob Vickery
UK
Cohort 6

- Over a decade of VC experience
- Founder of Hillfarrance
- Making early-stage investments in Kiwi founders
- Creating path for emerging NZ VCs to gain experience
- Moved to NZ in Sept 2020, after being granted an exception to the border restrictions for having a critical purpose to travel to NZ.

Randy Komisar
USA
Cohort 6

- Extensive VC experience
- Advisor to American VC firm, Kleiner Perkins’, with a focus on early stage investments
- Contributing to New Zealand from a systems level – providing advice to build VC sector rather than making direct investments
- Currently lives in US
- On track for PRV

Scott Nolan
USA
Cohort 1

- Experienced investor with expertise in emerging tech
- Partner at Founders Fund
- Investing in New Zealand businesses from the USA (at least 9 investments to date)
- Currently lives in US
- Considering setting up a base in NZ

FURTHER DETAIL ON OUTCOMES

The following five sections of this report present detailed data and examples of Fellows' reported outcomes in each of the five outcome domains. They should be read in conjunction with the three sector case studies (previous pages) and Fellow profiles (included throughout this report).

CREATE – Fellows' early outcomes

Organisations and jobs are being created

Table 2 shows a breakdown of the tangible CREATE outcomes reported by C1–6 Fellows in November 2020. Across all of the measures with comparable data, we see an increase compared to last year. This suggests a positive direction of travel, especially as the figures are likely to underrepresent the total number of organisations created, people employed, and salaries paid by Fellows, because it only collates data provided by C1–6 Fellows that responded to our survey. Note that:

- 30 C1–6 Fellows are paying a total salary bill of \$8,243,335 to 157 New Zealand residents that they employ.
 - For reference, EHF's own data records Fellows having created 161 jobs since joining the Fellowship.
- The average salary is \$52,505 per employee, with one Fellow paying a salary of \$150,000.
- A further three C1–6 Fellows are outliers, employing a further 55 New Zealand residents but on low salaries.
 - One of these Fellows reported employing 50 New Zealand residents with an average salary of \$2,000.

- The other two Fellows reported low salary bills that appear to be reporting errors.

Table 2: Breakdown of organisations, jobs and salaries created

2019 change	Measure	All C1-6 Fellows
↑ from 25	Number of Fellows that have created New Zealand-based organisations since joining the Fellowship	37 of 115 (32%)
NR (data not comparable)	Number of New Zealand-based organisations created: total (average per Fellow)	61 (1.6)
↑ from 18	Number of Fellows that have created jobs since joining the Fellowship	36 (of 116)
↑ from 18	Number of Fellows employing New Zealand residents at time of survey OUTLIERS EXCLUDED*	30 (of 116)
↑ from 18	<i>Number of Fellows employing New Zealand residents at time of survey OUTLIERS INCLUDED</i>	33 (of 116)
↑ from 114	Number of New Zealand residents employed by Fellows: total (average per Fellow) OUTLIERS EXCLUDED*	157 (5.2)
↑ from 114	<i>Number of New Zealand residents employed by Fellows: total (average per Fellow) OUTLIERS INCLUDED</i>	212 (6.4)
NR (data not comparable)	Salary paid to New Zealand residents employed by Fellows: total (average per employee) OUTLIERS EXCLUDED*	\$8,243,335 (\$52,505)
NR (data not comparable)	<i>Salary paid to New Zealand residents employed by Fellows: total (average per employee) OUTLIERS INCLUDED</i>	\$8,343,415 (\$39,356)

Source: MJ Fellow Survey 2020, Cohort 1–6 (n=116) * x3 Fellows reporting salaries of less than \$2,000 per employee.



The fact that not all Fellows have created organisations or are employing New Zealand residents is in keeping with the expectations for the pilot: a small number of Fellows are expected to be making a big difference, and not every Fellow is expected to contribute in every domain.

Fellows have created organisations in a wide range of sectors that are at varying stages of development

Fellows that have created organisations are most commonly working in the ICT sector (21%), followed by education and training (18%) and professional, scientific and technical services (also 18%), which includes science and technology, artificial intelligence, aerospace, robotics, machine learning, virtual reality & augmented reality, and biotechnology.

Other sectors identified include finance and insurance services (including VC and blockchain), construction, agriculture, environment, clothing and textiles, energy, and healthcare.

Qualitative feedback provided by Fellows shows that their organisations are in varying stages of development, including:

- early-stage start-ups with plans for growth
- start-ups that are raising capital, and moving towards creating jobs
- companies that are generating revenue
- companies that are employing New Zealand residents.

I have created a company that already delivers software to more than 35% of [an export fruit market], with 8 employees. [International Fellow]

Many Fellows describe their ventures in terms of the benefits they will deliver for New Zealand, and/or the world through improvements to health and social wellbeing, environmental outcomes and sustainability, and/or

culture and community outcomes. Quite often their ventures demonstrate innovation through developing new technologies or new approaches to solving problems. We see evidence of:

- ventures focused on health and social wellbeing outcomes

*Myself, and my co-founders (also part of cohort 4), have initiated a start-up venture... **identifying content being checked with Fellow**.
We have been doing this for the past 2.5 years [NZ Fellow]*

- ventures focused on environmental outcomes and sustainability

My team and I have delivered mobility to thousands of users (and growing fast) while reducing the number of vehicles required by an order of magnitude & shifted transport for our users from representing ~20% of their total greenhouse gas (GHG) emissions to becoming a net sequestering of GHG. Thus, contributing a material step towards NZ's net-zero emissions goal. [NZ Fellow]

- ventures focused on culture and community outcomes

*I'm also an early investor in [named American company], the **identifying content being checked with Fellow**, and I'm working with them to help make te reo Māori available worldwide for free. [International Fellow]*

Ecosystem stakeholders are aware of Fellows creating more ventures than jobs at this stage, which does not match with Fellows own reporting (as set out earlier in this section, Fellows report creating more jobs than organisations).



Harmaan Madon, Cohort 6, India

A mechanical engineer with a passion for alternative waste mechanisms, Harmaan was looking for a country with an enabling environment to pilot his innovative technology

Harmaan Madon is an entrepreneur with a background in mechanical engineering. He has a passion for researching and developing alternative solutions to the world's waste problems. Harmaan founded Madon Applied Sciences in his native India in 2017, to design, engineer and implement faecal sludge and septage management solutions – treating and disposing of sewage sludge.

By August 2019, Harmaan had developed a technology that turns bio-waste into fuel and organic fertiliser. Since then, he has been trying to find a way to set up a commercial pilot. He concluded that India did not have the foundation infrastructure and policy environment necessary for his initiatives to get off the ground.

New Zealand's enabling environment for alternative waste solutions and a waste sector ripe for disruption

Several factors signalled to Harmaan that New Zealand might be receptive to his technology:

- New Zealand is serious about biowaste management solutions – it is the first country to have a Centre for Integrated Biowaste Research (CIBR) – a collaboration with New Zealand's Crown Research Institutes dedicated to developing sustainable reuse options for New Zealand's biowaste (www.cibr.org.nz/).

- Policy and regulatory settings are sending a clear message about government sustainability priorities – New Zealand recently passed the Zero Carbon Bill and increased landfill levies.
- The waste management market is ripe for disruption – Harmaan reports that 80% of New Zealand's waste goes to landfill.

Harmaan found that Scandinavian countries were the only others that have alignment in these areas, and he preferred an English-speaking country.

A public-private partnership to demonstrate proof of concept, then growth

Harmaan's intention is to pilot his venture with a local council in New Zealand to demonstrate proof of concept before expanding to other areas, in New Zealand and beyond. Harmaan's model is a public-private partnership. Benefits for New Zealand would be to reduce the costs and environmental damage caused by outdated waste management, produce green energy that can be used locally, and offset our import requirement for agriculture nutrients (currently New Zealand imports \$100 million of nutrients each year).

Harmaan's professional and personal plans are on hold due to COVID-19 travel restrictions

Harmaan travelled to New Zealand in February 2020 to pitch his solution to potential partners, to visit potential neighbourhoods and schools for his children, and to take part in EHF's Welcome Week activities. Though EHF official activities were delayed as the COVID-19 pandemic took hold, Harmaan was able to make connections with people he was introduced to by other Fellows and gave presentations on his venture to several

Source: Fellow interview



organisations across New Zealand, before departing just before the lockdown commenced. Harmaan was particularly hopeful about an emerging partnership with a Local Council, which has been struggling with its waste infrastructure. Harmaan also signed an NDA with Victoria University of Wellington’s Sustainability department with a view to collaborate and involve the student body in his project.

COVID-19 has been a major barrier to Harmaan. His plans to relocate his family in early 2020 so that his children could start school in term 2 have been indefinitely postponed due to the border closures. Despite efforts to maintain the connections Harmaan established during his trip to New Zealand, Harmaan has struggled to progress his venture from India.

The GIV provided Harmaan with a network of like-minded individuals, a pathway to permanent residency and a vehicle in which to test his new technology

New Zealand’s enabling environment was a perfect fit for Harmaan’s venture, and the GIV was attractive to him as a pathway to residency and for the Fellowship component. He felt that Fellows seemed to be like-minded people from different backgrounds and sectors who are fundamentally not OK with the status quo. He describes the network as a safe space for nerds, where he could have conversations about his project, which focuses on a topic – faecal waste – that many people do not want to discuss. Harmaan credits his progress so far to being able to leverage the initial connections he made through the EHF, which enabled him to cover a large amount of ground quickly. He also felt that when people had heard of the EHF, being a Fellow carried some weight.

Difficulty accessing capital has been one thing Harmaan has had to contend with – those that he spoke to were interested in his project but wanted to see investment, and though he was able to connect with Callaghan Innovation, its funds only covered research and development and not commercial deployment. Harmaan thinks a better way of being able to access capital, or some sort of ‘earn while you work here’ scheme could be built into the programme to support entrepreneurs like him.

Although COVID-19 has slowed Harmaan’s progress he hopes to continue with his plans once borders open again

Harmaan intends to continue working with councils once he can travel to New Zealand (he noted they would not be willing to give him a contract if he was not in the country). He will progress his plans as soon as he is able to travel here.

Create	Support	Attract
<p>Harmaan is in the process of: Creating a New Zealand based arm of MAS with a kiwi partner-director (also an EHF Fellow)</p> <p>What Harmaan plans to do: Hire New Zealanders in multiple engineering, manufacturing, operations, finance roles.</p>	<p>What Harmaan has done to date: Worked with a NZ manufacturing organisation and a NZ composting organisation on a proposal to MFE – intended to be a joint venture where MAS would be the technology provider</p> <p>Signed NDA with Victoria University’s Sustainability department to collaborate and involve students</p>	<p>What Harmaan has done to date: Confirmed NZ\$250k investment from a Singapore-based angel investor</p> <p>What Harmaan plans to do: Attract investment from NZ investors, both from within EHF and otherwise.</p>

Source: Fellow interview



SUPPORT – Fellows’ early outcomes

Capital has been invested and governance roles held

Table 3 shows a breakdown of the tangible SUPPORT outcomes reported by C1–6 Fellows in November 2020.

Across all of the measures with comparable data, we see an increase compared to last year. This suggests a positive direction of travel, especially as the figures are likely to underrepresent the total amount invested and roles held because it only collates data provided by C1–6 Fellows that responded to our survey. Note that:

- 31 C1–6 Fellows have invested \$53.2 million in New Zealand-based businesses to date.
 - For reference, EHF’s own data records Fellows investing \$80,689,049 in New Zealand-based organisations since joining EHF (the much higher amount may be a result of EHF capturing data from Fellows that did not complete our evaluation survey or investments made after the survey closed¹³).
- Most of the investment reported by Fellows who responded to our survey has been made by one New Zealand Fellow, who reports investing \$50 million in 10 New Zealand-based businesses. Again, it is in line with the pilot design for a small number of Fellows to be making a big difference.

¹³ Our survey closed in November 2020; EHF data was captured up to 26 January 2021

Table 3: Breakdown of capital invested and governance roles held

2019 change	Measure	All C1-6 Fellows
↑ from 24	Number of Fellows that invested capital in New Zealand-based organisations	31 (of 113)
NR (data not comparable)	Amount of capital Fellows invested in New Zealand-based organisations: total (average per Fellow)	\$53.2 million (\$1.7 million)
NR (data not comparable)	Number of New Zealand-based organisations Fellows have invested capital in	75
↑ from 375,000*	Average amount of capital invested per organisation	\$709,000
↑ from 21	Number of Fellows holding governance roles in New Zealand-based businesses or not-for-profits	46 (of 111)
NR (data not comparable)	Number of governance roles held by Fellows: total (average)	84 (1.8)

Source: MJ Fellow Survey 2020 Cohorts 1–6 (n=113)

Note: * exact amounts invested was not collected in 2019. \$375,000 is a generous estimate assuming each Fellow invested at the top end of the category they selected (for example, \$50,000 if they selected \$10,001–\$50,000)

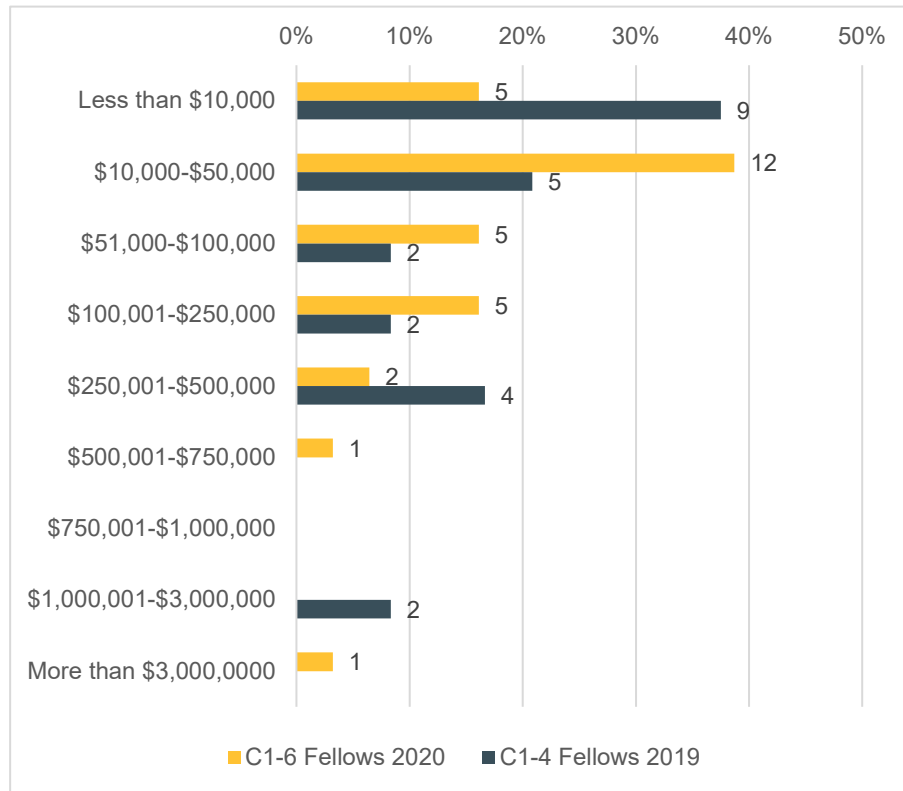
The amount of capital Fellows invest is increasing

Figure 6 shows that the amount invested per Fellow is increasing on average compared to last year. This year, 39% of Fellows that have invested in a New Zealand-based business have invested between \$10,001 and



\$50,000. Last year, roughly the same proportion had invested less than \$10,000.

Figure 6: Number of Fellows investing capital in New Zealand-based businesses by band, 2019 and 2020



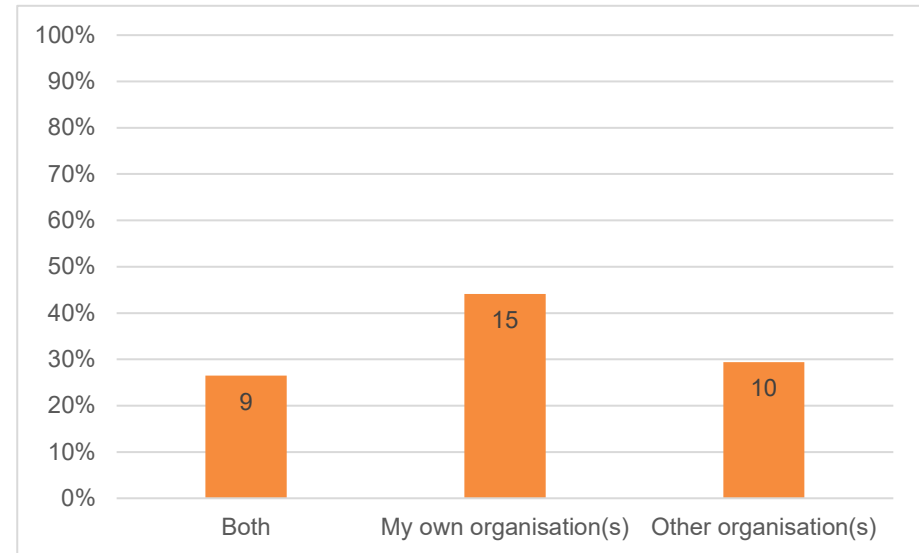
Source: MJ Fellows survey 2019 Cohort 1-4 Fellows that reported the amount they have invested in a New Zealand-based business (n=24); MJ Fellow survey 2020 Cohort 1-6 Fellows that reported the amount they have invested in an New Zealand-based business (n=31)

Fellows are more likely to invest in their own organisation than in another New Zealand-based business

Figure 7 shows that most Fellows (71%) that have invested in a New Zealand-based business have done so in their own organisation, either solely or in addition to investing in others.

More than half (56%) have invested in other organisations (either solely, or as well as their own).

Figure 7: Number of Fellows that have invested in their own organisation, another organisation, or both



Source: MJ Fellows survey 2020 Cohorts 1-6 Fellows that have invested in New Zealand-based business (n=34)



Fellows have invested capital in ventures and funds

Qualitative feedback provided by Fellows shows that they have invested capital:

- as founders of their own organisations and to progress their ventures
- in other New Zealand-based organisations, including the organisations of other Fellows, and for commercial return as well as through donations
- in existing New Zealand-focused venture capital funds.

As founders of the company we have personally invested over \$354K NZD... I have personally invested \$67k NZD in the business through a convertible note, and \$50K NZD through related company expenses. [International Fellow]

Several Fellows report making investments across more than one New Zealand-based opportunity.

To date, I have made an investment in [an established NZ Fund] (introduced by EHF fellows) and three Ventures [related to the fund]. [International Fellow]

Ecosystem stakeholders are aware of both financial investment and other types of support being provided by International Fellows, but perhaps not yet at the rates these stakeholders had expected.

Most of the Fellows I have come into contact with have been investors, not entrepreneurs, and in fact, I have been surprised by the large proportion of investor Fellows vs entrepreneur Fellows, given the original aims of the pilot. But the investors have been genuinely interested in involving

themselves in the New Zealand angel and start-up communities. They have done this on their initiative, aside from EHF, and have creatively embedded themselves within New Zealand and within the start-up community, offering real support to entrepreneurs/businesses. While their investments are small to date, they will become meaningful with time and the mentoring support, network sharing, and other innovation boosts will be especially powerful. [Ecosystem stakeholder]

Fellows also contribute to SUPPORT outcomes by providing mentoring and advice

Fellows provide extensive examples of the non-financial support they have provided to New Zealand-based organisations through:

- providing mentoring and strategic advice to New Zealand-based for-profit and non-profit organisations, including to help with attracting capital. Support is provided on a paid and unpaid basis and with varying durations and levels of involvement.
- providing mentoring and strategic advice to other Fellows to progress their ventures and to settle into New Zealand life.

The other area has been to coach those creating climate tech/clean tech start-ups and incubation programs to best attract capital, potential business development, and participation. [International Fellow]

I have been able to take my 20 years of regenerative farming start-up and network experience in North America and apply the experience and networks to existing New Zealand start-ups, collaborations and networks. [International Fellow]



Scott Nolan, Cohort 1, USA

Scott is an experienced investor and was already familiar with New Zealand's start-up ecosystem; the EHF provided a perfect vehicle for Scott to engage with New Zealand

Scott Nolan is a venture capitalist with expertise in the emerging tech industry – he was an early employee at SpaceX and is now a partner at Founders Fund (a prominent US-based VC company whose goal is to support technological development while earning outstanding returns).

Scott came across New Zealand's start-up ecosystem during holidays he has been taking here since 2011. He saw a fair number of New Zealand start-ups but noticed that the ecosystem had not fully matured in terms of conferences, meetups and so on. Scott saw this gap and took the opportunity to help organise events himself. He even invested personally in Kami, a company he met through one of the events he helped organise.

When Scott came across the EHF it seemed perfect for him as it was part of the ecosystem here, which he wanted to be a part of as well.

Scott is relationship-focused and supports New Zealand ventures to fulfil their global ambitions

Joining the Edmund Hillary Fellowship has provided a business purpose that means Scott can spend more time here than he would have otherwise. Time on the ground is important for Scott, as it means he can go to industry events and create connections with people – since joining the pilot Scott has had over 100 meetings with local companies and entrepreneurs (within New Zealand but also over Zoom). Recognising that New Zealand is a well-

connected place, Scott has made a concerted effort to build and maintain strong relationships during trips that he has taken here, supported by EHF.

Through Scott's interactions with Kiwi businesses, he seeks to get to know them, ideally to lead to an investment. If they end up not being the right fit for Founders Fund, he facilitates connections for them with other investors in the United States. If Scott does not know who to connect them to (or there is no-one to connect them to), he will give advice on strategy and prioritisation and on finding other avenues for capital so that he always adds value.

Scott also partners with embedded New Zealand companies as a way to give advice – he periodically hosts office hours with [Icehouse](#) entrepreneurs, and is an Advisor to Kiwi Landing Pad, a community driven by entrepreneurs to help Kiwi start-ups to fulfil their global growth aspirations. Scott's involvement includes periodic strategy sessions and networking start-ups.

Investing or facilitating investment in New Zealand ventures

By leveraging his existing network, and making use of the EHF network, Scott has been able to invest or facilitate investment in a handful of New Zealand start-ups (and has co-invested with [Icehouse Ventures](#) in three New Zealand companies). Examples of some of the companies that have received investment include virtual reality company 8i, dairy pasture management company Halter, photography software business Narrative, cardiology diagnostic company [HeartLab](#), digital metal casting company [Foundry Lab](#), and digital classroom app Kami.

Scott's investments bring additional benefits

Ventures that receive investment, either through Scott or through Founders Fund, benefit not only monetarily but also from the attention that comes with

Source: Fellow interview



being backed by top investors. Scott's seen the interest levels in companies peak after he has invested in them and thinks the competition this creates benefits New Zealand companies through access to capital at fair prices. It also allows founders to keep a greater portion of their companies over time, giving them more capital to work with when they eventually sell. Scott thinks New Zealand will increasingly see founders investing in other founders, so the ecosystem grows exponentially (he saw this happen in Silicon Valley).

The flexibility of the GIV enabled Scott to engage with the New Zealand investment sector sooner than he would have otherwise

The network of Fellows enabled Scott to get more plugged into the ecosystem here and the visa was a nice bonus. While he could have entered the country using the investor visa (requiring a \$3 million investment), the time requirement to be in New Zealand (146 days per year for three years) would have restricted his work in the US. The fact that the GIV has enabled longer, more flexible travel patterns has been key for Scott.

Scott felt the current investor visa categories are pitched towards those who are going to make large investments and are later in their career. Scott would like to see a start-up investor category added to the visa options.

Scott is pleased with his direction of travel and will continue to participate in the pilot with a view to setting up a base here in future

Scott is not currently in New Zealand and while it is not ideal to do everything remotely, he is able to continue his work by drawing on the connections he made when he was here in person.

Scott plans to keep participating in the GIV pilot as he has been, coming to New Zealand a few times per year, attending conferences, meeting new cohorts, and finding entrepreneurs and investors that he may be able to invest in, or provide advice to. He noted that the quality and the name recognition from the latest EHF cohorts is very impressive so will be facilitating connections when he is able.

His overall goal in the longer term is to spend more time here, and can see himself living here at some point (even if it's splitting half his time between the US and New Zealand). Scott is happy with how his network has grown and developed over time as he has nurtured its growth, and thinks we will see even more investments in New Zealand ventures in the future.

Support	Influence	Connect
<p>What Scott has done to date:</p> <ul style="list-style-type: none"> Through Founders Fund or personal investments, invested in multiple NZ ventures, including digital classroom app Kami, photography software startup Narrative, VR startup 8i, agritech company Halter, cardiology diagnostic company HeartLab, and digital metal casting company Foundry Lab. Co-invested with Icehouse Ventures in 3 NZ companies Advises NZ ventures through the Kiwi Landing Pad and the Icehouse Flux accelerator Advises NZ start-ups – often about pitch materials, pitch meetings, and strategy Supported 8i as a seed investor and former board member via pitch material feedback, pitch practice, general strategic advice, and connections to other investors. Angel investor and Advisor to Kami 	<p>What Scott has done to date:</p> <ul style="list-style-type: none"> Spoken at many events Organised meet-ups Spoken with and advised government policy leaders 	<p>What Scott has done to date:</p> <ul style="list-style-type: none"> Encouraged US-based start-ups or entrepreneurs to open offices or move to NZ for work Provided fundraising advice to dozens of NZ start-ups and connected many to other US-based investors.

Source: Fellow interview



INFLUENCE – Fellows' early outcomes

The evaluation does not track any specific measures of Fellow influence on the innovation ecosystem in New Zealand. The relatively small scale of the pilot is unlikely to have a detectable effect on measures such as the innovation index, especially in the short term.

Fellows report INFLUENCE outcomes, but influence takes time, and the direction of travel is unknown

Around half of C1–5 Fellows report INFLUENCE outcomes and a large number have provided rich examples of the broad range of activities they are undertaking to encourage innovation and entrepreneurship in New Zealand, by:

- establishing ventures that are designed to support entrepreneurialism and innovation in New Zealand, such as through services for start-ups
- building the pipeline of homegrown talent, such as providing mentoring for young people and advising training through universities
- providing thought leadership and sharing new ideas, such as speaking at conferences and sharing best practice
- expanding or building a nascent sector in New Zealand and creating ventures to fill gaps.

In recent years I've been working with an international start-up [name of start-up], focused on fundholding as a service, and this year I've launched a branch here in New Zealand. It's early days, but I think it has the potential to greatly increase the effectiveness of other impact ventures and charitable initiatives. [NZ Fellow]

[The most significant contribution to date has been] Increased participation by Maori in entrepreneurship across Aotearoa. [NZ Fellow]

Other examples provided by Fellows show ways in which they are influencing an enabling environment for innovation in New Zealand:

- by influencing the funding environment for innovation and entrepreneurialism, creating new funds, and introducing innovative practice around funding
- by undertaking research to build a better understanding of the innovation in New Zealand, such as creating a social network map for the entrepreneurial support eco-system in a region; doing a national study of the wellbeing of founders, leaders, and small-business owners in the New Zealand innovation ecosystem
- by providing advice and support to influence government policy to be more enabling of innovation
- by supporting existing government agencies to advance their innovation agendas, including at the local level (Regional Councils), national level (agencies focused on innovation in New Zealand) and global level (agencies that are concerned with cross-country trade).

In particular, I have been focused on bringing best practices back to the New Zealand funding ecosystem, including best practices related to Employee Stock Ownership Plans and the ways in which such plans can



either accelerate or hinder innovation ecosystems and the creation of new ventures. A strong ESOP program, and a heavy investor focus on implementing these, can have a tremendous seeding effect on innovation and the creation of new start-ups. [International Fellow]

I'm also helping [a Regional Council] to develop tools and projects to attract like-minded people to the region to bring more innovation ventures here. [International Fellow]

Ecosystem stakeholders are aware of Fellows bringing fresh thinking to New Zealand, influencing the way individual organisations are operating (for example, by introducing new business models), and contributing to a culture shift in some parts of the innovation ecosystem.

... I've seen mostly a culture shift rather than any concrete outcomes. This is not necessarily a bad thing – these things take time. [Ecosystem stakeholder]

Some feedback also suggests that the pilot has helped to promote New Zealand's global reputation as a place for innovation.

I'm a Kiwi in innovation living overseas. Even before the Jacinda effect had caused the world to be in envy of Aotearoa, (and notwithstanding the unbeatable beauty of the place) the EHF Fellowship had created an impression of NZ as a place where innovators could find a haven to work on system-changing, really impactful stuff. That innovation is not just about 'extract and sell off' has reverberated, and you see that in effect with renowned global tech teams moving to the Hutt Valley and building their big idea/product. The program hasn't to [my] mind deliver[ed] the 'big break through' yet but I think the seeds are being

sown for abundant sproutings. Good innovation takes time [Ecosystem stakeholder]



Emeline Paat-Dahlstrom / SpaceBase, Cohort 1, USA/Philippines, now based in New Zealand

Emeline had a clear vision to accelerate the democratisation of space, prior knowledge of New Zealand, and an established reputation in the global aerospace industry before applying for the GIV

Emeline Paat-Dahlstrom and her husband Eric (also an EHF Fellow) grew to love New Zealand during several holidays they took here from 2002. The pilotticked all the boxes for them in terms of being able to work and live here while working on their own entrepreneurial passions – they were able to combine their backgrounds in aerospace with their passion for innovation and start-ups.

Emeline was previously the Chief Impact Officer at Singularity University and was attracted to the GIV as she felt the Fellowship is about making an impact on a global scale as well as within New Zealand.

Democratising access to space – the creation of impact organisation SpaceBase

In 2017, Emeline and Eric joined the EHF as a team and moved to New Zealand to set up impact organisation SpaceBase Ltd with their US-based cofounder, Rich Bodo (also an EHF Fellow). Spacebase has a

charitable constitution¹⁴ – it works with New Zealand’s aerospace community to democratise access to space by increasing opportunities for everybody to be part of the industry. Currently they are focusing on New Zealand but have a long-term global vision – prototyping and refining their offering here before taking it more broadly.

Emeline is a prolific ‘doer’. She sees SpaceBase as a catalyst and enabler of technology, and so far the SpaceBase team has been visible across New Zealand supporting and developing aerospace infrastructure, building the pipeline of homegrown talent, and influencing the New Zealand ecosystem to become more accessible.

A multi-faceted approach to strengthen New Zealand’s emerging aerospace industry

SpaceBase is using different approaches to create impact within the New Zealand aerospace industry. It has:

- created an online directory platform for the New Zealand aerospace industry, to facilitate connections and collaboration between ecosystem players, and to collect feedback. A recent research survey utilised the directory to quantify the scale of New Zealand’s aerospace industry, showing it was contributing \$1.7 billion to New Zealand’s overall GDP (about the same as the wine industry)
- given over 100 presentations, workshops or training programmes (both in person and online) across New Zealand promoting aerospace and advocating a shift in mindset from traditional views that only

¹⁴ <https://SpaceBase.co/about>

Source: Fellow interview



government and big aerospace companies can play in this space to demonstrating how individuals and smaller organisations can contribute as well

- run two national space and aerospace challenges in collaboration with ChristchurchNZ in 2018 and with ChristchurchNZ, Airbus and the Ministry of Business, Innovation and Employment in 2019, generating 99 teams, and catalysing 8 start-ups; and collaborated with 14 EDAs to facilitate ongoing support for the teams that have come out of the challenge
- run the first virtual aerospace incubator in 2019, with 18 teams
- developed a free educational course 'Catalysing the Space Industry in your Region' for local government decision makers and adjacent industry leaders. The course is an assessment tool looking at what already exists in a region, and what adjacent industries can support and be utilised to create products and services in the space industry
- appointed the official Ambassador for the International Space University (ISU), the world's premier higher education institution dedicated to space. SpaceBase will leverage ISU's international network to help New Zealand space companies expand into global markets, and communicate lessons from New Zealand's space industry to the rest of the world.¹⁵

¹⁵ <https://mailchi.mp/9a5b6a423768/spacebase-june-2020-newsletter-4191093>

Emeline is also maintaining a presence within the global aerospace community

Emeline has continued to promote SpaceBase and New Zealand's aerospace sector at conferences and speaking events around the world. She found that travel restrictions this year due to COVID-19 had caused her world to 'shrink' as the events went online. Because Emeline did not have to travel, she could do more presentations (in the month prior to speaking to us she had presented at 20 events across the world via Zoom) and has accelerated her online projects and services.

Evidence of Emeline's influence are beginning to emerge

Emeline has seen changes in the New Zealand aerospace industry since arriving in New Zealand three years ago. At that time, the ecosystem was nascent – Rocket Lab had not flown yet, the New Zealand Space Agency was new, and discussions with industry representatives showed not much thinking about aerospace beyond Rocket Lab. Within two months of getting inducted to the EHF Fellowship, SpaceBase pitched to ChristchurchNZ the notion of leveraging incentive prizes to catalyse the industry, and their relationship has grown from there. Two national and regional level 'wins' for Emeline have validated the ecosystem building that SpaceBase have been working towards:

- the [NZ Space Industry Report](#) (see SpaceBase acknowledgement)
- the Christchurch Sector Plan released in 2019, which identified aerospace as one of the four major technology areas they are going to

Source: Fellow interview



be focusing on. The plan was influenced by SpaceBase initiatives in the region, and SpaceBase was consulted in the development of the report.

Emeline is confident that SpaceBase is having influence in New Zealand already, and has seen the Christchurch aerospace community in particular go from strength to strength. There is now an Aerospace Christchurch community of around 200 ecosystem players (and members of adjacent industries) that meet monthly, and ChristchurchNZ is considering how to leverage the uniqueness the local area has within the aerospace community to build on the ecosystem that has emerged so far.

Nationally, Auckland is working on their own space council and has developed more of a focus on satellite manufacturing, the South Island has ground stations and communications, Wellington is seeing a cluster of space policy and legal structures, and Christchurch is seeing clusters of launch and rocket organisations. Emeline is hoping that New Zealand will be able to coordinate an overall national plan so the markets within these areas won't overlap, collaboration is encouraged, and capability is developed here.

Both the Fellowship and the visa component of the GIV were attractive to Emeline – relocating to NZ was important to gain traction, and the Fellowship accelerated connections and the ability to share ideas

The Fellowship epitomised what Emeline would look for in a network or community, as it attracts like-minded people to engage. Having both entrepreneurs and investors in the programme was also a drawcard. Critical to achieving the momentum SpaceBase has had to date was that the GIV enabled Emeline to relocate to New Zealand.

The biggest draw for Emeline was the pathway to permanent residency, as the goal has always been to put down roots here. Emeline and Eric have just been awarded their Permanent Resident Visas, which has come as a big relief and solidifies their presence here. If the visa had not been awarded there would have been big questions – they had created SpaceBase here, and New Zealand requires company Directors to be in New Zealand.

This is the fifth country in which Emeline has applied for a long-term stay. She found the process straightforward, but did feel that some mechanisms could be built into the pilot to increase its potential to deliver benefits – for example, Start up Chile – a government programme that seeks to emulate a Silicon Valley type of community – gives foreign start-ups funding and resources to set up their venture in Chile.

Emeline and Eric plan to continue living and working in New Zealand and promoting New Zealand's aerospace community on a global level

Having released '[Catalysing the Space Industry in your Region](#)' they are in discussions with regional EDAs to gauge interest, which may lead to the development of training workshops and a consulting service. They are currently planning another competition leveraging space technologies to address climate change issues in the region.

Globally, they have started working with organisations to share different space programmes and collaborations (for example, International Space University and Frontier Development Lab in the Asia-Pacific region) and are exploring options to take what they have learned through establishing SpaceBase to the world.

Source: Fellow interview



Create	Support	Influence	Connect
<p>What Emeline / SpaceBase has done to date:</p> <ul style="list-style-type: none"> Created Spacebase Ltd in 2017 Hired local development team (Xquals) for 9 months to complete phase 1 software development project. Worked with two University of Canterbury marketing interns for 1 and 2 terms. Helped establish Orbital Astronautics NZ as an LLC in 2020 (Emeline is Business Development Director), a sister company to nanosatellite manufacturing and technology company, Orbital Astronautics based in the UK. 	<p>What Emeline / SpaceBase has done to date:</p> <ul style="list-style-type: none"> Has delivered over 100 presentations, workshops or training programmes on aerospace across New Zealand (in person and online) Has run two national space and aerospace challenges: <ul style="list-style-type: none"> Judged challenges in collaboration with key partners like MBIE, Airbus, UC Centre for Entrepreneurship, Ministry of Awesome, Xerra, Blinc and CHNZ Generated 99 potential Teams/Solutions (across both challenges) Facilitated the first aerospace virtual incubator (70 participants, 18 teams) Catalysed 8 start-ups Engaged 22 incubators Collaborated with 14 EDAs to help teams in the challenges Sourced sponsorship for winners of the Aerospace Challenge (The Grand prize in 2018 was \$40k, and in 2019 it was \$30k + 2 runner ups at 5k each + Airbus data) Has supported ongoing activities and initiatives of the NZ Student Space Associations in Wellington and Christchurch Has created a digital New Zealand aerospace community platform, including a Directory, a Space Calendar, and a Space Wiki – utilised by the NZ Space agency to do a research survey to quantify the scale of NZ aerospace industry Has developed a free educational course 'Catalysing Space Industry in Your Region' focused on local government decision makers and adjacent industry leaders, to help them look at what is already existing in their area, adjacent industries that can support it, and be utilised to create products and services in the space industry Has assisted Auckland-based start-up Extra-terrestrial Power to receive seed investment, and are currently assisting other investors to perform due diligence on other space start-ups in NZ Has initiated collaboration with NZ organizations on international space initiatives or programmes (Ceres Robotics, Frontier Development Lab) Is offering educational course assessment and training workshops as a service, and in discussions to gauge EDAs interest in a consulting offering 	<p>What Emeline / SpaceBase has done to date:</p> <ul style="list-style-type: none"> To catalyse the space industry: <ul style="list-style-type: none"> Collaborated with 10 space initiatives Created 1 space meet-up Created 2 space social media platforms Partnered with 82 organisations Engaged 11 universities and colleges Influenced the creation of the NZ Students Space Association, which now has two chapters, in Wellington and Christchurch Participated in three national and regional strategy initiatives that contributed to the national and sector strategy documents for the future of the aerospace industry in NZ Joined AgritechNZ and participated in a working group to develop a national strategy for NZ's agritech industry Contributed to the Deloitte Report on NZ Space Industry (commissioned by MBIE) Been part of the NZ Space Agency delegation of Kiwi representatives who presented at the NZ Space Day at the International Astronautical Congress in Washington, DC – the world's biggest international space conference Been recently appointed as official Ambassador for the International Space University 	<p>What Emeline / SpaceBase has done to date:</p> <ul style="list-style-type: none"> Shared the educational course with global organisations (such as International Space University, UN) Presented to three UN Office of Outer Space Affairs workshops (Austria USA, Online) about SpaceBase Presented at international conferences on work catalysing NZ's space industry Shared lessons with organisations such as UNICEF and countries with similar initiatives such as Philippines, Thailand, Nepal, Chile, India, Germany, Australia, Japan, Dominican Republic, Kenya, and Ireland, and US regions such as New York and Chicago Connected start-ups and entrepreneurs with their space network Open-sourced its software and shared its challenge playbook with the goal of replicating in other countries what has been achieved in NZ

Source: Fellow interview



CONNECT – Fellows’ early outcomes

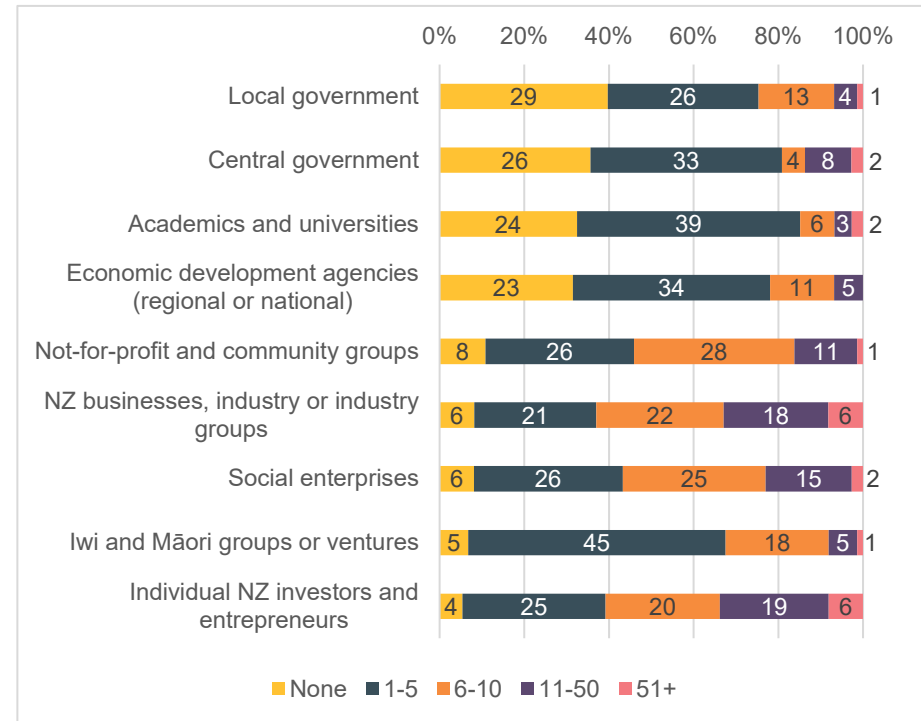
Fellows are increasing their connections with the New Zealand innovation ecosystem, although more so in some subsectors than in others

Figure 8 shows the numbers of new connections that C1–5 Fellows have made across the New Zealand innovation ecosystem since joining the Fellowship.

- 36% of C1–5 Fellows have created new connections in every subsector that we asked about. Only one Fellow reports making no new connections (a New Zealand Fellow)
- Local government and central government are the parts of the ecosystem where Fellows have been most likely to have not made any new connections (40% and 36% of Fellows respectively)
- Very few Fellows have made no new connections with individual investors and entrepreneurs, iwi and Māori groups, social enterprises and New Zealand businesses, industry or industry groups.

As you would expect, Fellows have generally found it more difficult to connect with stakeholders in the sectors where they have created fewer connections. The main exception is iwi and Māori groups or ventures – while most Fellows have created some new connections in this subsector, 30% have found it hard or very hard to do so.

Figure 8: New connections made by Fellows in subsectors of the innovation ecosystem, since joining the Fellowship



Source: MJ Fellow survey 2020 Cohorts 1–5 (n=74)



Connections are being created between the New Zealand innovation system and global networks

New Zealand Fellows provide many examples of creating formal and informal opportunities for International Fellows to connect with local networks, and of connecting individuals with local contacts on a one-to-one basis – for technical and strategic support, investment, or market opportunities.

I help organise the Christchurch monthly meet-up to welcome new Fellows. I have been on the Skills and Interest workstream for Fellows to help connect Fellows. [NZ Fellow]

Worked on connecting a number of Wellington-based local Fellows to Angel networks, business connections and relevant local government connections. [NZ Fellow]

International Fellows are also creating connections between New Zealand innovation systems and their global networks, by:

- Connecting individuals with international contacts on a one-to-one basis – for technical and strategic support, investment, or market opportunities
- Setting up or expanding existing programmes to regularly connect New Zealand stakeholders to global networks
- Supporting existing programmes that seek to connect New Zealand to the world

My 4th Annual [entrepreneurship event] is taking place next week and when it concludes, between the annual gatherings and the meetings I host in the US each March, I will have hosted over 200

New Zealand entrepreneurs, managers or founders and every last one of them will have significantly expanded their networks and contacts with customers, investors and advisors both in New Zealand and abroad. Roughly half of these businesses have received direct support with exports. [International Fellow]

Ecosystem stakeholders were much less positive about outcomes in this domain than they had been last year. Nonetheless, they have observed connections being made by Fellows with the innovation system in New Zealand, and between New Zealand stakeholders and Fellows' global networks.

I think the most significant contribution I have seen is sharing experiences and networks. [Ecosystem stakeholder]

They give generously of their time to support local entrepreneurs, and share their contacts to make connections facilitating investment and connecting to potential clients in offshore markets. [Ecosystem stakeholder]



Randy Komisar, Cohort 6, USA

An experienced venture capitalist, chief executive and author, Randy Komisar was attracted to New Zealand's investment industry

Randy Komisar has extensive experience as a venture capitalist and entrepreneur spanning several decades. Among other things, he co-founded Claris Corp, served as CEO for LucasArts Entertainment and Crystal Dynamics, and has acted as 'virtual CEO' for several companies. He is currently an advisor to American VC firm, Kleiner Perkins, with a focus on early-stage investments.

Randy had been coming to New Zealand for several years before becoming a Fellow – he had been speaking at conferences, spending time at incubators and with government policymakers discussing what they are trying to accomplish. Randy's good friend in Auckland introduced him to people within the innovation sector here, where he found people that were willing to engage, and an emerging innovation ecosystem underpinned by Kiwi values. Randy was an outspoken critic of the US VC industry, and wanted to create new models based on 'old school Silicon Valley values'. While looking for a place to pilot his venture, New Zealand came up as somewhere that would have good opportunities to scale.

Randy is contributing to New Zealand at a system-level

For Randy, success would be that in 10 years New Zealand has a robust innovation system that attracts and keeps talent and builds value for its stakeholders. To this end, Randy is seeking to contribute to New Zealand at a **system-level**. He has deliberately avoided contributing in a monetary sense, instead drawing on his 30 years' experience to advise individuals on all parts of the innovation puzzle and influencing around the policy settings – for example, encouraging development of a strong innovation economy, by encouraging investors to diversify from some traditional markets like dairy. It was important to Randy to establish himself as an honest broker in New Zealand, to establish trust and confidence that his activities are not driven by self-interest, which is sometimes the perception of offshore investors.

Strategically advising New Zealand's 'game changing' Elevate Fund

In June 2020 Randy was appointed a Strategic Advisor to the New Zealand Growth Capital Partners Elevate Fund – a \$300 million programme filling the capital gap for high-growth New Zealand businesses at the Series A and B fundraising stage. The Fund aims to stimulate a functioning venture capital industry and support high-growth New Zealand organisations with access to the capital and connections that they need in order to be successful; the Fund also undertakes market development activities.¹⁶

¹⁶ <https://www.nzgcp.co.nz/funding/elevate-venture-fund/>

Source: Fellow interview



Randy is committed to helping the team at NZGCP to create a strong, internationally connected New Zealand infrastructure in venture and risk capital, and provides advice on where to invest the \$300 million.¹⁷

Randy provides advice to several organisations and individuals within the New Zealand investment ecosystem

Randy has several formal and informal relationships, providing advice, support and introductions for New Zealand-based entrepreneurs, investors and sector organisations. These include, but are not limited to, Movac, Icehouse, Angel Association New Zealand, Vector, and individual entrepreneurs, including other Fellows.

Ecosystem stakeholders volunteered positive feedback about Randy’s contributions to date, seeing him as exactly the type of person the GIV should be recruiting. Many people commented to the evaluation about what an amazing contributor he has been, how he has been open, easy to access, and generous with his time, providing a huge amount of support, and delivering an extraordinary amount of value – without writing cheques.

Though Randy could have come to New Zealand under an investor category visa, he did not want to feel as if he was ‘buying’ his place in New Zealand

Randy was frequently coming to New Zealand and building a network here before he joined the GIV pilot. He noticed it was challenging to keep his work and connections alive when he was back in the USA. The GIV was more attractive to Randy than traditional worker or investor visas. Randy

wanted to work unrestrained, without feeling he had to ‘buy his place’ in New Zealand through a predetermined investment requirement. He felt he had more to offer the ecosystem than just writing a cheque, and the pilot provided a means to visit New Zealand easily while still operating in his preferred way. He was also not able to commit to the time requirements for other visas, so the GIV was a natural option to explore.

Randy plans to apply for permanent residency and continue supporting the NZ investment sector

Randy plans to apply for the Permanent Resident Visa when he is eligible and will likely split his time between New Zealand and the USA.

Support	Influence	Connect
<p>What Randy has done to date:</p> <ul style="list-style-type: none"> • Advised Movac, the NZ Venture Investment fund, Icehouse, and other ecosystem players. • Been a Strategic Advisor to Vector Technology Services • Been a Special Advisor to NZGCP • Worked with Auckland University on their entrepreneurial program • Advised numerous NZ businesses on investment strategy. 	<p>What Randy has done to date:</p> <ul style="list-style-type: none"> • Been a Strategic Advisor to Elevate. 	<p>What Randy has done to date:</p> <ul style="list-style-type: none"> • Connected numerous NZ businesses with his global network

¹⁷ https://www.nzgcp.co.nz/assets/Media/Randy-Komisa-and-Dana-Settle-appointments_220620.pdf

Source: Fellow interview



ATTRACT – Fellows’ early outcomes

Capital is being attracted

Table 4 shows a breakdown of the tangible ATTRACT outcomes reported by C1–6 Fellows in November 2020.

We see an increase in the number of Fellows that have supported New Zealand-based businesses to attract investment compared to last year. This suggests a positive direction of travel, especially as the figures are likely to underrepresent the total amount of capital that Fellows have helped to raise, because it only collates data provided by C1–6 Fellows that responded to our survey. Key points:

- 33 C1–6 Fellows have supported New Zealand-based businesses to raise \$576 million capital
 - 9 additional Fellows that indicated they had supported New Zealand businesses to attract investment did not declare the amounts raised
 - For reference, EHF’s own data records Fellows supporting New Zealand-based organisations, including their own organisations, to raise \$85 million in capital (much lower than the \$576 million reported through the survey) ¹⁸

- \$550 million was reported by two Fellows (an International Fellow who raised \$500 million; and a New Zealand Fellow who raised \$50 million).

Table 4: Breakdown of key ATTRACT data

2019 change	Measure	All C1-6 Fellows
↑ from 16	Number of Fellows that supported NZ-based organisations to raise capital	42 (of 113)
NR (data not comparable)	Amount of capital Fellows supported NZ-based organisations to raise: total (average per Fellow)*	\$576 million (\$17 million)

Source: MJ Fellow Survey 2020, Cohorts 1–6; * Average based on Fellows that disclosed amount raised, n=33

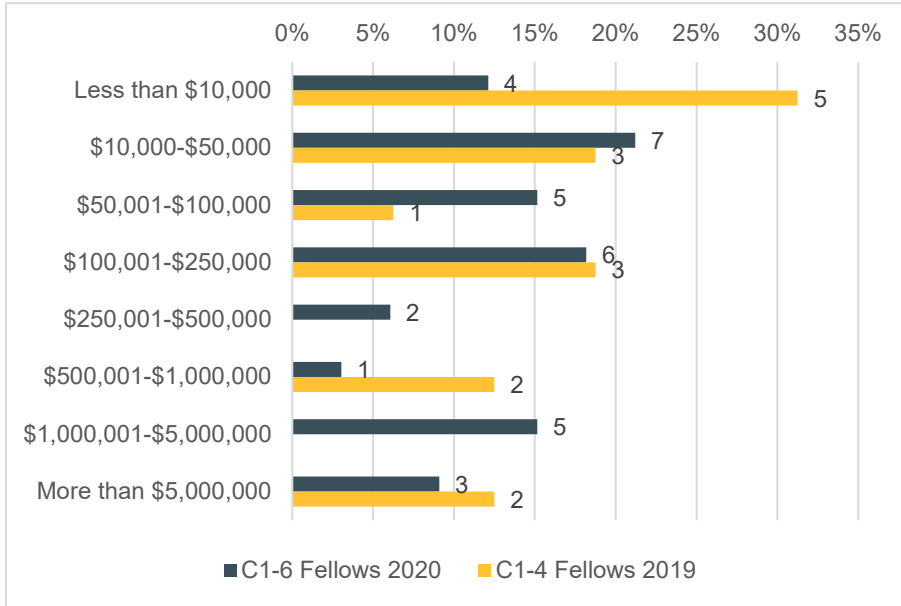
The amount of capital Fellows are raising is increasing

Figure 9 shows that more Fellows are helping to raise higher amounts of capital compared to last year. This year, proportionately fewer Fellows have supported capital raising of less than \$10,000 (12% compared to 31% in 2019).

¹⁸ Our survey closed in November 2020; EHF data was captured up to 26 January 2021.



Figure 9: Number of Fellows raising capital by band, 2019 and 2020



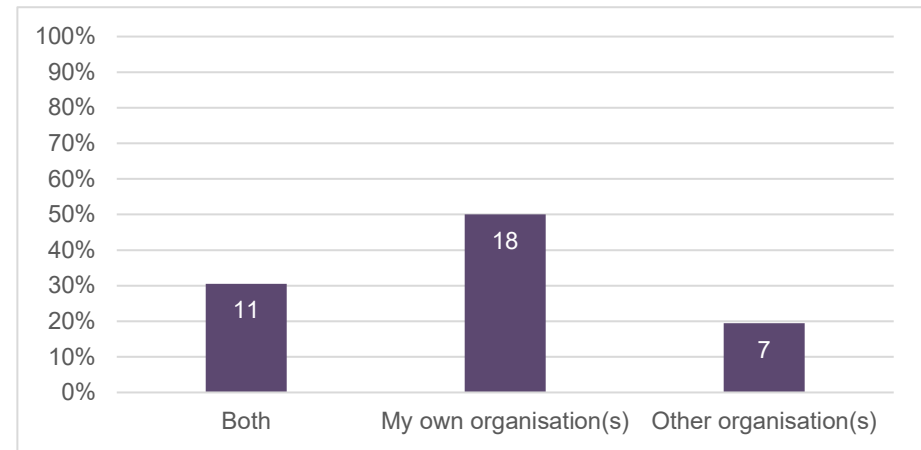
Source: MJ Fellows Survey 2019 Cohorts 1-4 (n=16), MJ Fellows survey 2020 Cohorts 1-6 (n=33)

Fellows are more likely to attract capital to be invested in their own organisation than in another New Zealand-based business

Figure 10 shows that most Fellows (81%) that have attracted capital have done so to be invested in their own organisation, either solely or in addition to investing in others.

Half (50%) have supported other organisations to raise capital as well (either solely, or as well as their own).

Figure 10: Number of Fellows that have raised capital to invest in their own organisation, another organisation, or both



Source: MJ Fellows survey 2020 Cohorts 1-6 Fellows that have raised capital to be invested in New Zealand-based business (n=36)



Fellows' activities to attract capital include one-off and ongoing programmes

Qualitative feedback provided by Fellows illustrates the range of activities they have undertaken to support capital raising. This includes:

- Attracting capital to be invested in their own and other organisations, from offshore and New Zealand domestic sources, by making introductions and providing other capital-raising support
- Establishing programmes to connect offshore funders to New Zealand opportunities
- Developing new venture capital funds in New Zealand that attract offshore investment.

identifying content being approved by Fellow. [International Fellow]

I have established a NZ-domiciled venture capital fund, secured a NZ cornerstone investor, built a board and team and have emigrated to Aotearoa in order to manage this fund. The fund will help plug the capital and connectivity gaps in the NZ start-up ecosystem to bring founder-friendly capital, company-building expertise and strategic access to overseas markets for Kiwi founders. [International Fellow]

Ecosystem stakeholders mainly observe Fellows contributing outcomes in the Attract domain by supporting New Zealand-based businesses to raise capital.

[Fellow] provided critical introductions and advice to help a start-up venture to scale and attract investment [Ecosystem stakeholder]

Fellows also report attracting talent to New Zealand, mostly through recruiting people to join the pilot

Fellows report attracting investors and entrepreneurs to the EHF programme.

I was instrumental in bringing some serious investors into the Fellowship, who I expect – as they have given their word to me – to make direct investments in NZ ventures and non-profits. [International Fellow]

I recruited seven new EHF Fellows from Pacific Rim locales to EHF Cohorts 6–8 (four from California, two from Oregon, and one from Singapore). These seven Fellows have expertise and deep networks in spacetech and healthtech, and I am actively connecting them, as investors and connectors, with Kiwi start-ups that I am already collaborating with and investing in, to help these Kiwi companies succeed. [International Fellow]

Some ecosystem stakeholders have observed Fellows contributing outcomes in the Attract domain by attracting talent.

Several recent Fellows (or applicants) have been highly engaged with us, helping us evaluate investment opportunities and connect to overseas talent. [Ecosystem stakeholder]



Rob Vickery, Cohort 6, UK, now based in New Zealand full-time

Making early-stage investments in Kiwi founders

Rob is an established venture capitalist with a strong track record

Rob Vickery has been a venture capitalist for over a decade, focusing on frontier industries and diversity in the portfolio of companies he invests in – for example, women-led companies. Rob was a founding partner of Stage Venture Partners – a Los Angeles venture capital firm providing seed funding to software start-ups with defined and creative technology.

Rob was granted an exception to the border restrictions for having a critical purpose to travel to New Zealand. He was attracted to the pilot for the community it offered. Rob and his young family felt it was a good way to have a 'soft landing' into migrating to a completely new country. The New Zealand investment sector was also attractive to Rob as he felt the lack of venture capital funding here would be an ideal opportunity to provide an alternative, and a gap he could fill with his venture.

*"What excites me about the New Zealand entrepreneurial ecosystem is that there is talent in so many different pockets of the community. It has probably one of the most active and engaged angel investor communities in the world and has already created a number of wildly successful companies. With a little more capital investment I expect that to continue to trend upwards."*¹⁹

¹⁹ <https://idealog.co.nz/venture/2020/06/new-zealand-receives-first-of-its-kind-investment-scout-programme>

Rob's venture, Hillfarrance, fills a gap in the venture capital landscape in New Zealand

In 2020 Rob launched Hillfarrance Venture Capital, named after his village in the United Kingdom – because "people I invest in are like my whānau". Hillfarrance is an investment fund looking to invest in a variety of entrepreneurs who are "building sustainable and defensive business models, that democratise new technology, extract unique value from proprietary data and create an unfair market advantage as a result."²⁰ Rob deliberately chose Hamilton as Hillfarrance's headquarters location because of the quality of entrepreneurs and numerous high-growth investment opportunities.

The fund targets Seed round and Series A (funding rounds for earlier stage companies and ranging between approximately \$1.5 and \$3 million) that are generally not well served by opportunities here.

Rob has already made four investments in the last year and Hillfarrance is on track to create a \$40 million inaugural fund by the end of May 2021. Rob expects to invest that in 20–25 New Zealand-based ventures over the next four years.

A new model that builds capability and experience of the next generation of VCs

As well as increasing the total pool of venture capital in New Zealand, Hillfarrance introduces New Zealand's first scout fund programme, where individuals use money fully fronted by Hillfarrance to make investments in

²⁰ <https://www.angelassociation.co.nz/wp-content/uploads/2020/06/Media-release-100620.pdf>

Source: Fellow interview



early-stage companies, with hopes of giving the sponsoring fund an advantage in leading a larger round for the start-up later on. The model leverages local knowledge and builds capability of the next generation of venture capitalists.

Rob notes that there is no typical route to become a venture capitalist: people often fall into it by accident and have to make hundreds of thousands of dollars of angel investments, learning as you go to be successful.

Ten New Zealanders (six women, four men) have signed up to be the first ‘scouts’. They bring local and technical sector knowledge to the programme and are allocated \$100,000 each to invest on Hillfarrance’s behalf. The programme is set up like a joint venture where each scout finds a venture they think deserves investment. Hillfarrance and the scout will determine whether the deal goes ahead, after due diligence is undertaken. Hillfarrance will provide the money for the venture, and take 20% of whatever investment the venture returns, splitting that 50:50 with the scout. In addition to the financial gain, Rob will support the New Zealand scouts to lead the next round of successful scout companies.

Due to the COVID-19 border closures, the GIV ended up being a barrier for Rob and he switched to a different class of visa

Rob was disappointed to find that when COVID-19 hit, holding a GIV and being part of the Fellowship did not provide certainty about being able to enter New Zealand. Pushing forward with his venture was difficult from offshore, and Rob requested an exception to the border restrictions using his critical worker status. He and his family have since been granted a residency and are making New Zealand their permanent home.

Since arriving in September 2020, Rob and his family have been dedicated to New Zealand, but he is unsure about what the pilot may offer in the future, both personally and professionally.

Without the need for the visa, Rob is still trying to understand how much value he will get from continuing to participate in the GIV pilot going forward. He would like to see the pilot evolve to have clearer expectations, especially for investor Fellows, and offer services beyond just a visa.

Create	Support	Influence	Connect	Attract
<p>What Rob has done to date: Launched Hillfarrance, a NZ-based fund focused on making early-stage investments in Kiwi founders</p> <p>What Rob plans to do: Create 50 jobs this year from four investments The output of the funds has potential to create up to 4,000 jobs over 5–10 years.</p>	<p>What Rob has done to date: Worked closely with iwi and tāngata whenua in Waikato around getting investment into Māori-led ventures. Sponsor of Kōkiri – a Māori accelerator Advises and educates the ecosystem wherever he can.</p>	<p>What Rob has done to date: Hillfarrance VC increased the amount of capital available to NZ-based entrepreneurs, its ‘scout fund programme’ will build the experience and capacity of NZ’s up-and-coming venture capitalists.</p>	<p>What Rob plans to do: Build a team in LA to help NZ start-ups expand there when the world opens up again.</p>	<p>What Rob has done to date: Closed investments in three NZ start-ups: Yabble, Konei and Partly. Confirmed the first group of 10 Kiwi Hillfarrance scouts Attracted some of the best VCs in the world to be investors in Hillfarrance.</p> <p>What Rob plans to do: On track to create a NZ \$40m inaugural fund by the end of May 2021 and expects to invest that into 20–25 NZ-based companies over 4 years.</p>

Source: Fellow interview



Sahar Izadi, Cohort 4, Iran (based full-time in New Zealand since before joining the pilot)

Unlike a lot of the other entrepreneurs in the GIV, Sahar was a young student already living in New Zealand, with an established venture but little track record of entrepreneurialism

Sahar Izadi was completing her PHD at Auckland University (using a student visa) when she came across the Global Impact Visa (GIV). Sahar was looking for a visa that would enable her to continue living in New Zealand, and to be an employee of Kara Technologies, the start-up she had co-founded with Arash Tayebi (also from Iran and living in New Zealand) and Farmehr Farhour (already a New Zealand permanent resident). The pilot was attractive to Sahar as the Fellowship gave her access to people from around the world with different skillsets, as well as providing a pathway to permanent residency. Sahar, Arash and Farmehr applied to the EHF as a team of three (only Arash and Sahar applied for the GIV as Farmehr already had permanent residency).

Kara Technologies – using AI to make content accessible to sign language users

Sahar co-founded Kara Technologies in 2017 as a social enterprise that aims to provide and improve access to technology for deaf people whose first language is sign language. Unlike traditional translating companies, Kara Technologies provides content, services, and information for its users by using a hyper-realistic computer-generated avatar backed by artificial

intelligence. Part of Kara's mission is to ensure the Deaf community does not forego many everyday services that others take for granted.

Working with New Zealand's Deaf community to adapt and develop Kara Technologies

Kara Technologies collaborated with Ko Taku Reo Deaf Education New Zealand on a pilot to build a small library of digital books for deaf children, to test their technology by observing how well deaf children receive communication in the form of an avatar. The pilot was well received by students and teachers, and the team is now working on the second phase of the project (adding more books to the library). The pilot was supported by the New Zealand Sign Language Board fund, receiving \$80,000 for the first phase, and an additional \$40,000 for the second phase.

The team learnt early on how important it was to understand the nuances of deaf culture as they tested and engaged with the deaf community in New Zealand (through the Deaf Education Centre). To ensure their solution was fit for purpose and accepted by the community they hired a profoundly deaf employee as a sign language expert and community manager. They acknowledge that this was pivotal in opening their eyes to how to build and launch technology like this within the Deaf community. They tested and iterated their technology alongside the Deaf community, tweaking it based on feedback so that the solution works for the community and they can get the most out of it. Although the core technology they came up with at the beginning is the same, how it is used and how they approach it is different now. Sahar credits the success of the first pilot to the feedback from the Deaf community.

Source: Fellow interview



Learning to navigate the challenges that come with being a social enterprise start-up

As a social enterprise, Kara Technologies has faced some challenges. Investment has been slower than anticipated – they almost closed a \$1 million deal earlier this year that fell over at the last minute and, like a lot of New Zealand ventures, COVID-19 has affected their sales. As a small company, support from the New Zealand government was crucial: Kara took up the COVID-19 wage subsidy, and they have also been able to access a research and development loan through Callaghan Innovation. These inputs give them assurance to keep going even though their sales and investments have slowed.

Taking New Zealand-based innovation to the world

Though progress has slowed due to the impacts of COVID-19, Kara is currently in conversations with several international partners, and have already been able to get some pilots underway. Two examples are the National Theatre in London where they translated parts of a play to show to a test group on smart glasses (delivered, but the test has been postponed due to COVID-19 situation in the UK) and Norwich Airport.

The GIV was the only visa that enabled Sahar to remain in New Zealand and continue her work with Kara Technologies

Originally from Iran, but having studied in New Zealand, Sahar did not meet the criteria for other visa categories (the entrepreneur visa had too large a capital requirement and she did not fit the skilled migrant visa criteria). Sahar

wanted to stay in New Zealand to further develop Kara Technologies – the business was gaining momentum, had established links to the Deaf community, and developed connections within the innovation ecosystem.

It did not make sense to Sahar to move the business elsewhere, but with her student visa running out she had started exploring Canadian entrepreneurship visas as a ‘plan B’.

“The GIV was the only option for us, we were a very small start-up when we started, and all other visas are designed for people who have money, or their business is making money. We would have had to move our business abroad.”

Continuing to build on Kara Technologies’ momentum

Sahar intends to continue to live and work in New Zealand, as well as participate in the GIV pilot. She has already lived here for seven years and the path to permanent residency has been enabled by the Global Impact Visa.

As a social enterprise Kara Technologies will continue working with the New Zealand Deaf community to refine its technology, while at the same time seeking more paid pilots to evaluate how it is received by the community.

The company also has plans to expand their current offering by investigating different sectors where their technology could be utilised (such as education, multimedia, emergency services, and banking).

Source: Fellow interview



Create	Support	Influence	Connect	Attract
<p>What Sahar has done to date:</p> <ul style="list-style-type: none"> • Co-founded Kara Technologies Ltd in 2017 • Employs six people and a number of contractors, including four NZ employees • Employs a profoundly deaf New Zealander as the sign language expert and community manager. 	<p>What Sahar has done to date:</p> <ul style="list-style-type: none"> • Partnering with NZ entities, such as Ko Taku Reo Deaf Education NZ and First Signs to develop NZ sign language content for deaf children, aimed at improving their language acquisition and the quality of education • Trial videos developed with Seecom (promoting Māori sign language) • Promoting NZ sign language, one of the official languages of NZ, and a very important component of the Deaf culture. <p>What Sahar plans to do:</p> <ul style="list-style-type: none"> • Work with the National Emergency Management Agency of NZ to implement a country-wide emergency broadcast system for sign language. They have received promising interest from government ministers and officials, and are engaging with them to start piloting their technology soon. 	<p>What Sahar has done to date:</p> <ul style="list-style-type: none"> • Undertook research and development activities in collaboration with the NZ Deaf community to gain their support for, and input into the state-of-art technology Kara Technologies has developed, to better serve the Deaf community • Several speaking engagements, especially to young people, to talk about technology, entrepreneurship and accessibility, including Women in Tech (October 2019) and panel member for Xero's International Women's Day (March 2020) • Kara Technologies' technology has been covered by Deafwire Pacific Regional Report at H3TV, a weekly Deaf news in International Sign Language 	<p>What Sahar has done to date:</p> <ul style="list-style-type: none"> • Discussions with other industries to pilot the technology, for example, the National Theatre in London, and British Telecom <p>What Sahar plans to do:</p> <p>Has received interest from entities in the UK and US indicating export possibilities; planning to do some collaboration.</p>	<p>What Sahar has done to date:</p> <ul style="list-style-type: none"> • Received investments from Australia and New Zealand. <p>What Sahar plans to do:</p> <ul style="list-style-type: none"> • Attracting additional investment, including through the Impact Collective (targeting impact ventures in Asia Pacific). Kara Technologies has made it to the top 80 ventures selected to go to an accelerator. They hope to make it to the top 20 and get some overseas investment after acceleration-period talks with investors.

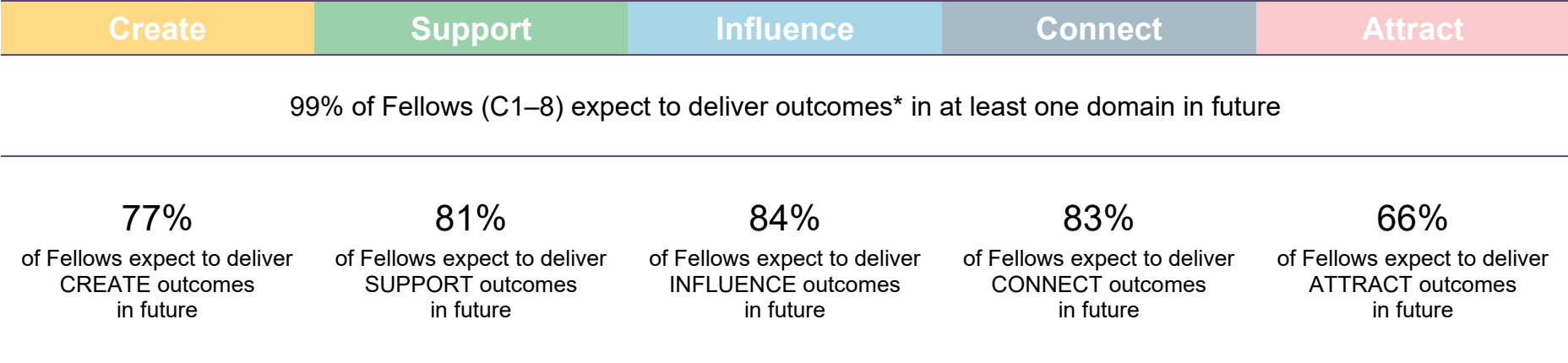
Source: Fellow interview



MORE OUTCOMES ARE EXPECTED IN FUTURE, BUT SUPPORT IS NEEDED TO ENSURE PLANS ARE REALISED

Fellows expect to deliver more outcomes in future across all domains

Note that projected outcomes are primarily drawn from self-reports from a small subset of Fellows (Cohorts 1–6 who responded to our survey). Their responses are likely to underestimate the contribution anticipated by all Fellows and may not be generalisable across cohorts and non-respondents.





Nearly all C1–6 Fellows have concrete plans to create jobs, set up organisations, take on governance roles, invest in NZ-based businesses and/or support NZ-based businesses to raise capital in the next two years (105 out of 107)

At least <u>1,276 jobs</u> expected	At least <u>\$138 million</u> investment in NZ-based organisations expected	Fellows expect to increase their influence on the <u>NZ innovation ecosystem</u>	Fellows expect to continue <u>creating connections</u> to the NZ ecosystem, and between the NZ ecosystem and their international networks	At least <u>\$194 million capital raise</u> expected
At least <u>89 NZ-based organisations</u> expected	At least <u>135 governance roles</u> expected			

Most Fellows are certain of their near-term plans (65% to 83% are certain across the reported dimensions)

83% of Fellows intend to apply for permanent residency when their GIV expires, or have done so already



Fellows expect to deliver more outcomes in future

Nearly all Fellows (99%) expect to deliver outcomes²¹ in at least one domain in future

88% of Fellows expect to deliver outcomes in at least three outcome domains in future. Only two Fellows do not expect to deliver outcomes in any domains in future; they are both New Zealand Fellows from Cohorts 1–6.

The fact that not all Fellows expect to deliver outcomes in every domain is in keeping with the expectations for the pilot.

Expectations are similar across established and recent cohorts.

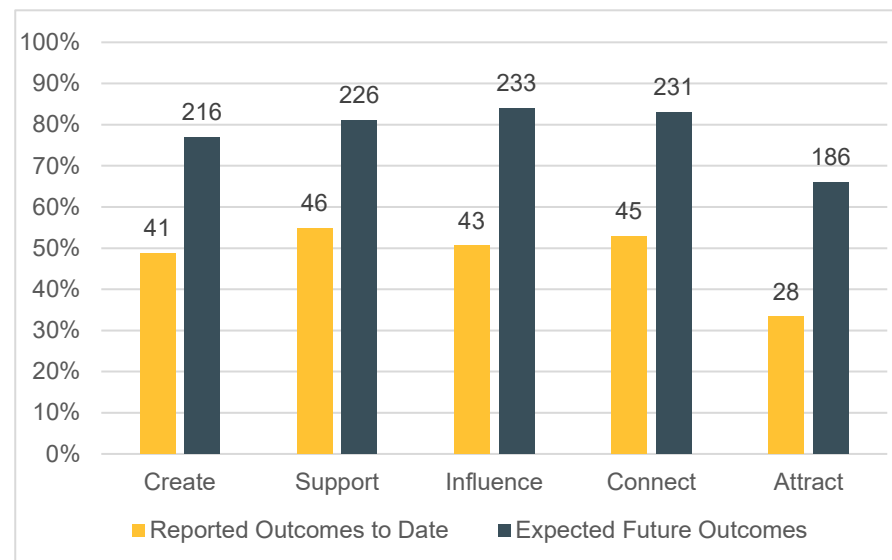
More Fellows expect to deliver outcomes in each domain

Figure 11 shows that in each domain, Fellows' expectations for future outcomes increase compared to their reported outcomes to date.

The increase is proportionate (that is, a greater percentage of the group) and in real terms (that is, more Fellows in total).

The increase in the proportion of Fellows that expect to ATTRACT capital and talent to New Zealand is particularly marked: 33% of C1–5 Fellows report a 'high' or 'very high' contribution to date in this domain, and 66% of C1–8 Fellows expect to make a 'high' or 'very high' contribution in this domain in future. This reflects a large increase in absolute terms, from 28 Fellows to 186 Fellows.

Figure 11: Fellows' reported outcomes to date compared to expected future outcomes



Source: MJ Fellows Survey 2020 Cohorts 1–5 (n=84) and Cohorts 1–8 (n=269)

Fellows' expectations for future contribution are higher than they were last year

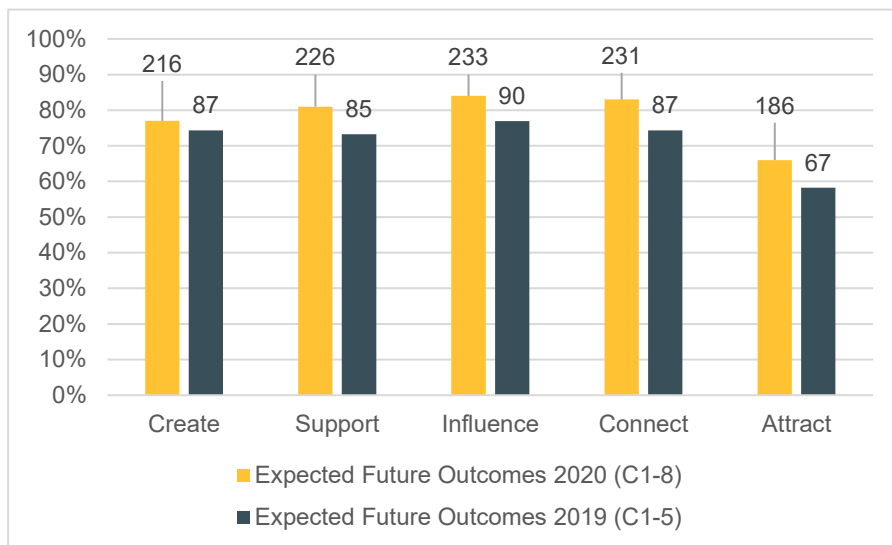
Figure 12 shows that while the pattern of Fellows' expectations for future outcomes is similar to previous years (with lower levels of contribution expected in the ATTRACT domain), the scale is greater across all domains as a proportion (that is, a greater percentage of the group) and in real terms (that is, more Fellows in total).

²¹ I.e. they selected *high* or *very high* in a Likert scale to indicate their expected future contribution in each domain



While there is some variation in future expectations between cohorts, the increase does not generally seem to reflect a change in the types of Fellows that have been recruited in later cohorts.²²

Figure 12: Expected future outcomes, 2020 and 2019



Source: MJ Fellows Survey 2019 Cohorts 1–5 (n=117) MJ Fellows Survey 2020 Cohorts 1–8 (n=280)

Fellows have tangible plans for future outcomes

We asked C1–6 Fellows about their plans for creating tangible outcomes in the next two years. Their plans are aggregated in Table 5, over the page.

²² The increase is evident however we cut the data, e.g. the proportion of C1-5 Fellows that report expecting to deliver high or very high future outcomes are as follows: Create=85%; Support=77%, Influence=82%, Connect=74%, Attract=62%.

The data shows that Fellows report tangible plans to create more jobs for New Zealand residents, invest more capital in New Zealand-based organisations, take on more governance roles, and support New Zealand-based businesses to raise more capital.

Most Fellows that responded to our survey are certain of their plans to create the outcomes they reported (ranging from 65% who are certain of their plans to raise capital, to 83% who are certain of their plans to take on governance roles).

New Zealand Fellows generally have higher expectations to contribute and are more certain of their plans. This is not surprising given the uncertainty of entry to New Zealand for International Fellows created by the COVID-19 pandemic.

Pre-COVID I had planned to start the kids in school in February (2021), now in limbo, everything's uncertain, I can't say with a lot of confidence what we will be able to do [International Fellow]

The data is likely to underestimate the outcomes planned by Fellows overall, because it only collates data from Fellows that responded to the survey and were inducted into the Fellowship before the survey was distributed (Cohorts 1–6).

- For reference, EHF reports that as of 26 January 2021, Fellows are committed to invest a combined \$53 million in New Zealand ventures in 2021 and \$80 million per year from 2022 onwards. (Includes both personal investments and investments from funds that Fellows manage, such as VC funds.)



Table 5: Breakdown of expected future contributions of C1–6 Fellows

	Measure	All Fellows (C1–6)
CREATE Organisations	Number of Fellows that expect to create NZ-based organisations in next two years	79 (of 115)
	Number of NZ-based organisations that Fellows expect to create in next two years: total (average per Fellow)	113 (1.4)
CREATE Jobs	Number of Fellows that expect to create jobs in next two years	90 (of 116)
	Number of jobs that Fellows expect to create in next two years: total (average per Fellow)	3,686 (41)
SUPPORT Investment	Number of Fellows that expect to invest capital in NZ-based organisations in the next two years	58 (of 113)
	Amount of capital that Fellows expect to invest in NZ-based organisations in the next two years: total (average per Fellow)	\$138 million (\$2.4 million)
SUPPORT Governance	Number of Fellows that expect to take on new governance roles in the next two years	80 (111)
	Number of governance roles that Fellows expect to take on in the next two years: total (average per Fellow)	162 (2)
ATTRACT Capital	Number of Fellows that expect to support NZ-based organisations to raise capital in the next two years	62 (of 113)
	Amount of capital that Fellows expect to support NZ-based organisations to raise in the next two years: total (average per Fellow)	\$274 million (\$4.4 million)

Source: MJ Fellow Survey 2020 Cohorts 1–6 (n=121)



Ecosystem stakeholders expect Fellows' contributions to increase in future, but not to the same levels that Fellows expect

Compared to their assessment of Fellows' contributions to date, ecosystem stakeholders expect Fellows to increase their outcomes across all domains in future. However, across all domains they have lower expectations for future outcomes than Fellows predict for themselves.

Fellows' intentions suggest ongoing commitment to New Zealand, which bodes well for them realising their plans

Most International Fellows (83%) intend to seek permanent residency when their GIV expires, or have done so already (Table 6). Their positive intentions for permanent residency suggest ongoing commitment to New Zealand, which bodes well for them realising their plans.

Table 6: International Fellows' intentions for permanent residency

	Number of Fellows	Proportion of Fellows
I intend to seek Permanent Residence when my GIV expires	160	79%
I don't yet know whether I intend to seek Permanent Residence when my GIV expires	28	14%
I have already been granted Permanent Residence	5	2%
I have already sought Permanent Residence and am awaiting a decision	5	2%
I don't intend to seek Permanent Residence when my GIV expires	2	1%
Other	3	1%

Source: MJ Fellows survey 2020 International Fellows Cohorts 1–8 (n=203)

Most of the Fellows that are not sure about their intentions belong to recent cohorts that had not yet been through their induction at the time of completing the survey (26/28 are from Cohorts 7 and 8).

Two Fellows that report 'other' intentions will seek permanent residency through other visa routes (partner and skilled migrant), the remaining Fellow in this category reports that they have applied for a PRV and been declined.

Ongoing support is needed for Fellows to realise their plans and to unlock the full potential of the pilot

The pilot has been developed on the assumption that Fellow integration is a shared responsibility, led by EHF with a range of other stakeholders. The model assumes that EHF will provide proactive and ongoing support and



advice to all GIV holders for the three-year visa period, which extends beyond the period for which EHF receives funding from INZ.

The EHF model for supporting Fellow integration is primarily based on the Fellowship, which is both EHF and Fellow-led.

As with last year, there is high demand from Fellows for support to help them integrate in New Zealand communities and innovation ecosystems.

The most common support requested by Fellows is for access to New Zealand

By far the most common request from Fellows is for the New Zealand government to provide a border-exemption for GIV holders, and to recommence processing of new GIV applications. While Fellows generally are understanding of the New Zealand government's response to COVID-19, the uncertainty around access to New Zealand is causing considerable strain for many International Fellows, and may result in them deciding not to continue their participation in the pilot.

...I'm sure that one of the biggest problems right now for fellows is just uncertainty about when and how they could travel to New Zealand. If you told me "you will never again set foot in New Zealand", then that would actually be helpful in aligning my work in New Zealand, and I wouldn't stop working – I'm already committed. Any statement that gives me some certainty as to whether or not I will be working in New Zealand someday would be helpful. [International Fellow]

A small number of Fellows request changes to the visa settings to help them to contribute

For the most part, Fellows are happy with the visa settings for GIV. A small number of Fellows request faster access to permanent residency, so that they can demonstrate their commitment to partner organisations. Some Fellows also mentioned wanting to be able to purchase land and property in

New Zealand, to live in and for their business. While this was not a common concern, it has negatively impacted some Fellows who find the uncertainty of renting unhelpful.

A permanent visa so everyone concerned can have confidence that I am committed. [International Fellow]

Fellows also request a range of support to help them better integrate in New Zealand communities and innovation systems, and realise their plans

The types of integration support Fellows are looking for are very similar to those we reported last year. They highlight the challenges of migrating to a new country, establishing a professional network, and achieving success as an entrepreneur. They also reveal a disconnect between some Fellows' expectations of the Fellowship and what the Fellowship component of the pilot is currently delivering.

Support through a more curated Fellowship:

While most C1–5 Fellows (around 60%) feel well connected with other Fellows, many provided comments that suggest they would like the EHF to be more actively curated, in order to maximise the connections between Fellows and the potential for collaboration.

My stance on this is and has always been that more resources need to be focused on community building. It may seem as if this is something that is too inward focused, but from my experience creating stronger ties between Fellows and helping them get to know each other's areas of expertise, challenges and needs is a critical foundation for Fellows to have impact. If I know what my fellow Fellows have to offer, I am much more likely to be able to connect them with other relevant people in NZ that they might be able to work with and the other way around. [International Fellow]



More targeted support for individual Fellows

Many Fellows would like more targeted support from EHF to help them with the practical aspects of migrating, to help them to understand the New Zealand innovation system, and to connect with key stakeholders.

The Fellows have world-class expertise and are often ready to fill skill or business gaps in cities, regions, iwi, but these gaps are not visible. It takes years of building relationships within the country to discover the places where we could insert ourselves in culturally appropriate ways to lift and help. [International Fellow]

Access to funding

As with last year, several Fellows would like better access to seed funding to progress their ventures, as well as capital investment in their ventures.

It could be beneficial to have a seed fund for fellows to start operations in the country and approaches to more business interested in collaborating with the GIV Fellows. [International Fellow]

Clearer expectations of Fellows and accountability for their contributions

A theme repeated from last year is a desire among some Fellows for greater clarity about what is expected of Fellows and about processes for ensuring their accountability.

I could imagine a sort of once- or twice-yearly board-meeting where EHF staff meet with the Fellow to discuss their progress and connection to NZ. [International Fellow]

Fellows' demand for integration support is likely to increase significantly as later cohorts gain access to New Zealand

Importantly, demand for integration support is high among established Fellows (C1–5) and those who have joined in recent cohorts (C6–8), suggesting support is required beyond the three-year GIV period for Fellows to fully realise their plans.



Tim Derrick and Jeff Schlichting (Cohorts 4 and 7), USA

Tim Derrick and Jeff Schlichting are experienced entrepreneurs and innovators with a background in wind, solar and battery energy storage project development

Tim and Jeff have 50+ years' combined experience working in the global renewable energy sector. Over that time, they have been active participants in the evolution of wind and solar industries, growing from their early beginnings 25 years ago to mature markets today.

Tim and Jeff have been regular visitors to New Zealand

Tim and his wife honeymooned in New Zealand in 2005 and always thought they wanted to come back and live here one day. Jeff has been a regular visitor to New Zealand, particularly in recent years to visit his daughter Nicole, who lives and works in Auckland.

New Zealand is uniquely placed to become one of the first countries in the OECD to achieve Zero Carbon and 100% renewable energy, a challenge that was attractive to Tim and Jeff

Both saw an enabling environment in New Zealand for their venture.

- Government priorities are aligned: The Zero Carbon Bill is **ground-breaking**. Very few countries can point to a similar progressive policy around carbon.

- The New Zealand opportunity is unique: based on the abundant existing renewable resources (wind and geothermal energy), solar energy will be important to New Zealand achieving 100% renewables.
- Tim and Jeff's direct work experience in the early phases of solar in North America can be directly applied to the evolution that New Zealand must undertake to be successful in achieving its Zero Carbon goals.

Incorporating Helios Energy to deliver large-scale solar projects

In February 2020 Tim and Jeff co-founded Helios Energy Ltd.

Helios Energy focuses on large-scale solar projects, which sell power to the large power companies or large corporate customers. The Helios team has repeatedly encountered the myth that solar is too expensive in New Zealand and they intend to demonstrate that solar PV ('photovoltaic') is actually one of the lowest-cost forms of electricity generation. The Helios team has first-hand experience with other benefits that solar will bring to New Zealand, including job creation and considerable direct foreign investment.

This is the fourth time Tim and Jeff have started businesses in renewable energy, so they are able to anticipate many of the challenges, while also taking on unique challenges in Aotearoa such as the OIO process. Helios has had a positive experience so far, COVID-19 travel restrictions notwithstanding, with the transparency of business practice regulation making it very easy to start a business.

Source: Fellow interview



COVID-19 has slowed full deployment of the Helios venture and required the founders to adapt their approach

Tim and Jeff had flights booked to return to New Zealand on 15 March 2020 to begin the process of hiring employees. As borders closed in the middle of March due to COVID-19, the Helios principals were forced to cancel travel and seek alternative ways to advance their business. Many factors have enabled Helios to continue the venture from afar, albeit delayed:

- Helios has strong support in New Zealand, established during multiple trips here in 2019: they engaged with 5–7 advisory firms (legal, tax, engineering, power marketing, and so on) multiple customers (gentailers, lines companies, and industrial customers) as well as government agencies (Transpower, NZTE, and the Electric Authority).
- They hired an Advisor, now acting Executive Director, Jason McDonald, who has 20+ years experience in New Zealand energy markets
- Significant work could be done from afar because their projects were in initial phases of development. Helios was able to advance its upfront market and project-siting analysis with the help of sophisticated mapping tools and its team of New Zealand-based advisors, putting them in a position to submit proposals to prospective customers.

Helios has received positive feedback on its proposals and anticipates that within six months, solar energy will emerge as a clear choice for moving New Zealand towards its Zero Carbon goals – reducing the cost of energy to New Zealanders, reducing volatility in wholesale power markets, and bringing significant foreign investment to New Zealand (a single large-scale solar project can attract as much as NZ\$400 million in direct foreign investment.)

The GIV provided a mechanism for Tim to establish a portfolio of solar projects (Jeff’s GIV is still caught up in COVID-related INZ processing delays), and EHF was one of the success factors behind the venture

Tim and Jeff and their families were already interested in moving to New Zealand, and the GIV provided a mechanism through which to do so. Each had the background EHF was looking for and the path to permanent residency was also attractive.

Tim and Jeff fully credit EHF as a key factor that has enabled their success so far. EHF facilitated connections in the early days that helped Helios move quickly. Tim and Jeff also give credit to EHF for raising their cultural awareness in terms of Māori traditions. In other geographies, Helios would typically go first to district councils to discuss consents for a project, but in Aotearoa those conversations will start with local iwi.

Tim and Jeff acknowledge that EHF is not particularly well-known in New Zealand, and would like to see awareness of the pilot increased and its profile raised and its reputation enhanced.

Helios is applying for an exception to INZ border closure to continue their time-critical work in person, starting with hiring a Kiwi team. As soon as travel restrictions are loosened, both Tim and Jeff hope to move with their families to New Zealand

Pre-COVID-19 Tim had planned to move and start his children in school in early 2021. Like many Fellows, Tim and Jeff would like the Government to enable access for GIV holders, signalling the Government’s support for the programme and recognition of Fellows’ commitment to New Zealand.

Source: Fellow interview



Create	Support	Influence	Connect	Attract
<p>What Helios has done to date:</p> <ul style="list-style-type: none"> • Incorporated Helios Energy Ltd • Identified and engaged an initial NZ-based advisory team (legal, accounting, power markets, OIO, and so on) <p>What Helios plans to do:</p> <ul style="list-style-type: none"> • Develop 10–12 large-scale projects across NZ’s highest-potential solar sites, creating jobs in rural areas. 	<p>What Helios has done to date:</p> <ul style="list-style-type: none"> • Conducted detailed energy-pricing analysis for all sites under consideration using Electricity Authority and MBIE data <p>What Helios plans to do:</p> <ul style="list-style-type: none"> • Provide long-term lease income to landholders. 	<p>What Helios plans to do:</p> <ul style="list-style-type: none"> • Accelerate movement to Zero Carbon and 100% renewable energy 	<p>What Helios has done to date:</p> <ul style="list-style-type: none"> • Reviewed and identified prospective site classifications, parcels and owners • Initiated engagement with local iwi (facilitated by NZTE) 	<p>What Helios plans to do:</p> <ul style="list-style-type: none"> • Attract significant foreign direct investment in NZ infrastructure • Self-fund the initial operations of Helios Energy up to US\$500,000, with a development budget of up to US\$10m to be raised from both NZ and US investors.

Source: Fellow interview



PILOT IMPLEMENTATION CONTINUED, DESPITE COVID-19

Attraction and selection complete²³

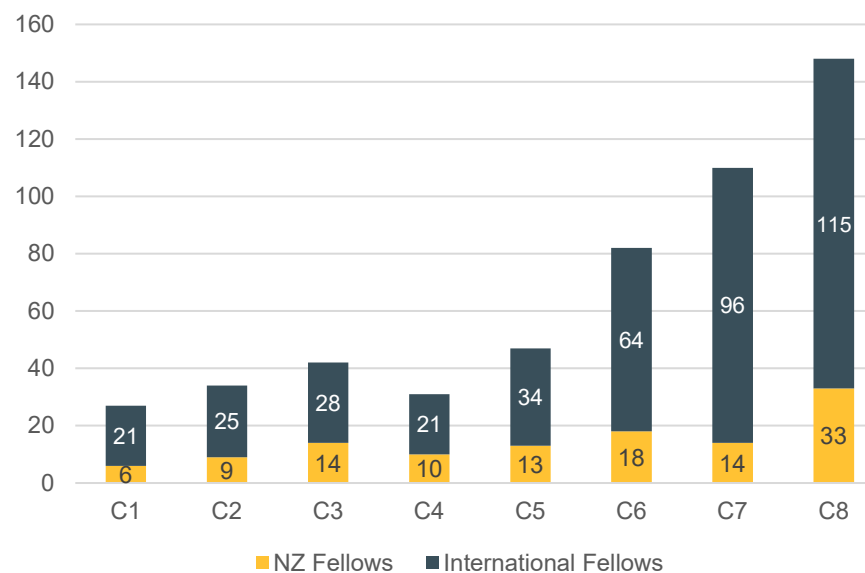
Over 400 International Fellows selected

All eight cohorts have now been selected – three more cohorts since the Year 2 report.

A total of 521 Fellows have been selected: 404 International Fellows and 117 New Zealand Fellows (Figure 13). Key things to note:

- 78% of Fellows are international
- recent cohorts differ from previous ones:
 - the number of Fellows in a cohort has increased significantly – EHF report that it was their strategy to start with small cohorts so they could learn with a manageable number of Fellows
 - the proportion of Fellows chosen from compliant applications has also increased (from 9% in Cohort 1 to 25% in Cohort 7)
 - the proportion of investors in recent cohorts has increased significantly (investors make up 18% of C1–5, rising to 32% of C6–8) – EHF report that since Cohort 4, they have asked a select number of applicants to reclassify their applications from entrepreneur to investor where they better fit the investor category.

Figure 13: Summary of cohort number – NZ vs International Fellows



Source: Data supplied by EHF

²³ The Year One evaluation report focused on attraction and selection. It contains more detail about the attraction and selection processes, qualities of Fellows and Fellows' drivers for joining the GIV pilot.



The pilot has attracted high-calibre individuals...

- 81% of ecosystem stakeholders rate the calibre of Fellows as 'higher' or 'much higher' than talent already available in New Zealand²⁴
- quality indicators used by EHF (shown in Table 7) provide further evidence of the quality of International Fellows.

Table 7: EHF analysis of C1–5 International Fellows' qualities²⁵

Quality indicator	Analysis by EHF – International Fellows from C1–5 (total of 131)
Years of start-up experience	Average 14 years per International Fellow <ul style="list-style-type: none"> • Ranging from 1–46 years
Strong connections in other countries	Fellows are identified as having strong connections with a wide range of countries, including significant economies such as China, India, Australia and Europe <ul style="list-style-type: none"> • 123 have strong connections with at least 2 countries • 103 have strong connections with the USA • 16 have existing strong connections with New Zealand
Tech sector experience	80 have significant tech sector experience <ul style="list-style-type: none"> • For example, as entrepreneur, senior leader, technical leader or investor

²⁴ While the numbers of respondents are small (n=43), this feedback is consistent with feedback we received last year, when 87 stakeholders responded to the survey.

Quality indicator	Analysis by EHF – International Fellows from C1–5 (total of 131)
Entrepreneur experience beyond tech sector	39 have significant entrepreneurial experience beyond the tech sector <ul style="list-style-type: none"> • For example, founding a non-profit or non-tech business
World class in their field	34 identified as being world class in their field – for example: <ul style="list-style-type: none"> • recognised by institutions such as <i>Forbes</i> and <i>Time</i> magazine • high net worth, or manages or has managed high-value funds up to USD\$10b • founded or invested in significant successful business such as AirBnB, LightInTheBox, Alibaba • held significant positions at companies such as Google, Microsoft, Gates Foundation
Access to capital	Globally, 40 investor Fellows invest NZ\$2.14b per year from funds they manage (such as a VC fund)

Source: Data provided by EHF based on their assessment of Fellows' qualities

... most of whom weren't already contributing to New Zealand...

The pilot has facilitated stronger links and easier access to New Zealand than would otherwise have been possible for most Fellows.

²⁵ Profiles for nine Fellows illustrating their varied backgrounds and experience are inserted throughout this report.



While many International Fellows may have been eligible for other classes of visa,²⁶ most of those that responded to the survey (82%, 165 out of 202) had never applied for a New Zealand visa before taking part in the pilot; and nearly a third indicated they had not previously visited New Zealand (31%, 63 out of 202).

... but there are some concerns about selection

Diversity is lacking – the tech sector dominates

There continues to be a perception among some Fellows and ecosystem stakeholders that the Fellowship is dominated by young, white men from Silicon Valley. This perception is supported by Fellows' demographics – Fellows are still²⁷ most likely to be:

- male (64% of all Fellows, 331 out of 521)
- from North America (61% of International Fellows, 246 out of 404)
- aged 30–49 years (70% of all Fellows, 365 out of 404).

While access to top tech-sector talent is seen as valuable, some ecosystem stakeholders would like to see a clearer alignment between Fellows' skills and ventures on the one hand, and New Zealand government priorities and talent gaps in our innovation ecosystem on the other.

²⁶ Out of 122 Fellows that responded to the survey and said they would have considered coming to New Zealand if they hadn't heard about the EHF Fellowship, 46 said they would have been eligible for a different class of visa (38%).

More so than ever NZ needs more access to talent. We lack the capability to truly commercialise things internationally, and capability in leading tech e.g. environmental and social. [Ecosystem stakeholder]

I absolutely think [the pilot] should consider alignment to sectors – [the] reality is government is investing considerable interest into these industry transformation plans. [Ecosystem stakeholder]

Some Fellows are seen as a poor fit or a 'long-shot'

As in previous years, there continues to be a perception (held by some ecosystem representatives and some Fellows) that a minority of Fellows are unlikely to deliver tangible outcomes, or outcomes that will deliver economic value for New Zealand. In addition, a small number of Fellows are seen to be lacking genuine commitment to New Zealand.

My impression is that some Fellows were insincere in their application; that they primarily considered the GIV a Plan B, back-up plan if America were to fall into chaos. [International Fellow]

²⁷ In Year 1, Fellows were similarly most likely to have the same characteristics.



Boyd Multerer, Cohort 3, USA – now based in New Zealand full-time

Boyd has a strong track record and is a leader in his field

Boyd describes himself as ‘a software nerd’ and has been in the technology industry since 1991. Most of his career has been at Microsoft, where he was responsible for Xbox Live.²⁸ In 2012 he was named in *Game Developer Magazine*'s Power 50 for his outstanding contribution to the gaming industry.

Boyd and his family had choices about where to live – they chose New Zealand and the GIV enabled their choice

When Boyd left Microsoft in 2016, New Zealand was at the top of his list for a new place to live. He was attracted to its stable currency, traffic patterns, good gun laws, general safety, and technical support from universities.

Boyd applied to join the EHF and in 2018 moved with his wife and three daughters to Wellington, where they have lived ever since. He had three main goals when he moved: to work with like-minded individuals; to connect with the computer science department at Victoria University; and to progress his personal projects quickly.

Creating innovative software technology from New Zealand

Boyd is currently building a new operating system for connected devices, using his knowledge of game consoles. This year he shut down his US company and founded a new software company, Kry10 Ltd, based in New

Zealand with two Māori business partners – Mahi Paurini and Gabe Walker – whom he met at New Frontiers.

The company is focused on improving the security, reliability and speed of connected devices, including the Internet of Things (IoT). Boyd is leading the technical development, overall strategy, and business side of things from New Zealand. He is actively exploring and negotiating potential projects for the America's Cup, sustainable fisheries, and the New Zealand Defence Force.

Boyd is supporting New Zealand organisations to innovate

Boyd has also started a technology consulting business in New Zealand, Phobos Mining Company. He is giving technical advice to the Livestock Improvement Corporation (LIC), a major player in New Zealand's dairy technology industry (formerly part of Fonterra) who have been at the centre of targeting breeding programmes, increasing the per-cow output of New Zealand. Boyd has advised on the technical roll-out of an upgraded herd-tracking application and research projects.

Boyd is also an advisor for the Computational Media Innovation Centre at Victoria University of Wellington, and is on the research and governance board of an experimental project with UniVentures, designing and building experimental thermophotonic devices.

Source: Fellow interview



The GIV offered Boyd more flexibility than other visas

Boyd had previously visited New Zealand on a Wellington Regional Economic Development Agency (WREDA) meet and greet programme. Although he was interested in moving, there wasn't a suitable visa available.

Boyd is entrepreneurial in nature and was looking for a visa to enable and encourage this. The GIV provided the flexibility he needed, giving the freedom to create and explore new things, rather than be tied to a particular job or employer. He was also attracted to the pathway to permanent residency it offered. The EHF Fellowship and its network of like-minded individuals was also important, but less so.

WREDA are playing an important role in Boyd's integration

Boyd has received most of his pastoral care from WREDA. They have also facilitated introductions and provided guidance on things like renting office

space. Boyd thinks this kind of practical help should be built into the Fellowship.

Boyd and his family have established strong roots and plan to apply for permanent residency

Boyd and his family are settling into New Zealand life. One of the reasons Boyd plans to apply for permanent residency is because his wife has found her partner visa limiting. She is an experienced data scientist but found employers didn't want to employ non-residents, and was unable to study on her visa. She had to have her visa amended to allow her to take up a PhD at Victoria University. Boyd thinks greater flexibility in the partner visa would be a big help for family integration.

Create	Support	Influence	Connect	Attract
<p>What Boyd has done to date:</p> <ul style="list-style-type: none"> Founded Kry10 Ltd, employing four people (including two New Zealanders) Created Phobos Mining Ltd, a consulting and research company. 	<p>What Boyd has done to date:</p> <ul style="list-style-type: none"> Technical Advisory Board for Livestock Improvement Corporation Formal Advisor to Victoria University's Computational Media Innovation Centre Undertaking a research project in collaboration with UniVentures, which involves actively designing and building experimental thermophotonic devices Working with a NZ sustainable clothing start-up to remotely monitor their off-shore production facilities in India. Advisor to several Māori tech projects, including how to implement the Māori 5G spectrum grant, and plans to supply every marae with networking equipment and access Technical Advisor to 'The And' digital project Presentations at the Victoria University Business school, and the monthly Elixir Programming Meetup. 	<p>What Boyd has done to date:</p> <ul style="list-style-type: none"> Numerous speaking engagements, including at the 2019 NZ CIO Summit, the 2020 MultiCore World and KiwiCon 2038 and participating in a panel on local business/start-ups in Wellington at Callaghan's research labs 	<p>What Boyd has done to date:</p> <ul style="list-style-type: none"> Partnered with an American company that makes secure hardware. Global promotion of the technology Kry10 is building in NZ – including presentations at the CODE BEAM Stockholm conference, lecturing at Glasgow Caledonian University, and Shift:Dev in Croatia Connected CMIC at VUW with Invert Robotics in Christchurch Connected a project developing a low-energy method of creating ammonia with a 3rd-party technical review company in Washington 	<p>What Boyd plans to do:</p> <ul style="list-style-type: none"> Expecting to raise \$1–2m next year through Callaghan Innovation, iwi trusts, and a big loan When Kry10 reaches critical mass, Boyd expects to attract \$10–20m.



COVID-19 has impacted the number of GIVs that have been issued and Fellows' participation in the pilot

Fewer than half of the GIVs have been issued to date

Of the 404 International Fellows selected by EHF, 387 (96%) require a GIV (17 have other types of visas).

- Only 151 (39%) of the International Fellows selected by EHF have been granted a GIV by INZ to date.

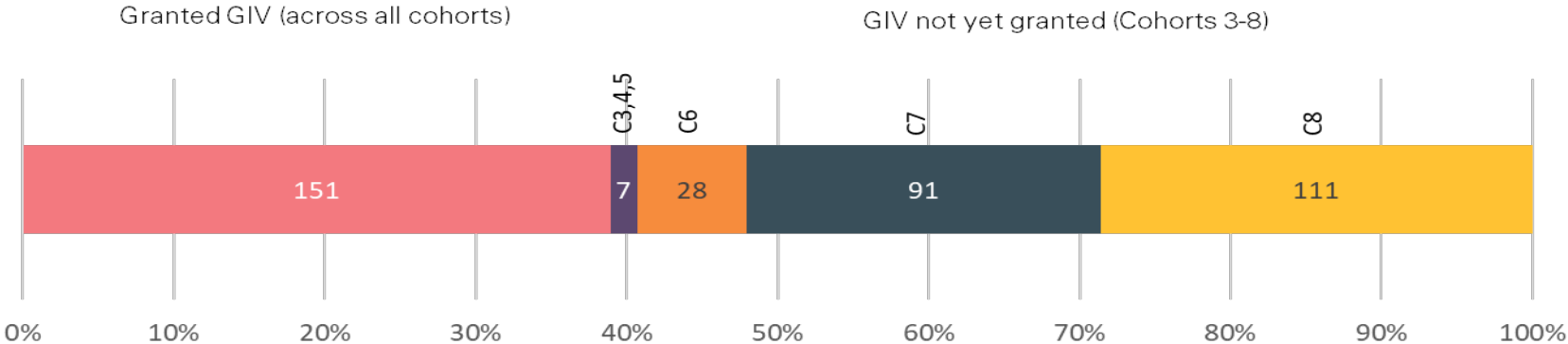
The majority of Fellows that have not yet been granted a GIV belong to C6–8, those most significantly impacted by border restrictions (see Figure 14). At 1 November 2020:

- Cohort 1–5: nearly all GIVs had been granted (1 not yet granted in Cohort 3; 1 not yet granted in Cohort 4; 4 outstanding in Cohort 5)
- Cohort 6: a third of GIVs had not yet been granted
- Cohorts 7 or 8: 98% and 99% had not yet been granted.

Note: GIVs may not have been granted because applications were not yet submitted and/or submitted applications had not yet been processed.

It is likely that the majority of Fellows that have not yet been granted a GIV will apply when the border restrictions are lifted.

Figure 14: Granted GIVs compared to not yet granted GIVs, as of 1 November 2020, by cohort



Source: INZ data extracted 1 November 2020
 Number of International Fellows eligible for a GIV: Cohort 5 = 32; Cohort 6 = 60; Cohort 7 = 93; Cohort 8 = 112



International Fellows' access to New Zealand has been severely restricted

At the time of writing, New Zealand borders have been closed to most non-permanent residents, including GIV holders, for approximately nine months. During this time the pilot continued to attract applications and select Fellows to the final two cohorts. In-person induction for C6–8 was replaced with online induction.

Offshore GIV holders and GIV applicants can only enter New Zealand if they meet the criteria for an exception to the border restrictions for having a critical purpose to travel to New Zealand,²⁹ which three Fellows currently do, one from each of Cohorts 6 to 8.

Border restrictions have affected Fellows in different ways depending on their situation at the time the borders were closed:

- International Fellows who had been **granted a GIV and activated it** could not re-enter New Zealand if they were offshore when the borders closed.
- International Fellows who had been **granted a GIV but not yet activated it** could not enter New Zealand and their GIV expired before they were able to activate it, as they were unable to meet the first entry date due to the border closure.
 - Some of these Fellows have been asking for exceptions to instructions to be made and the first entry dates extended to some date in the future when the borders may be open to them. As at 18 November 2020 there was no direction from INZ for extensions to

²⁹ <https://www.immigration.govt.nz/about-us/media-centre/news-notifications/suspension-overseas-visa-applications-introduction-eoi-fees>

³⁰ From 10 August 2020 INZ temporarily suspended offshore temporary visa applications (<https://www.immigration.govt.nz/about-us/covid-19/border-closures-and-exceptions/critical-purpose-reasons-you-can-travel-to-new-zealand>), including GIV. GIV applicants can apply from offshore,

be granted, so they will not get the activation period extended. These applicants will have to reapply for GIVs once the border reopens.

- International Fellows who had **not yet been granted a GIV** (mostly from recent cohorts) could not apply for the GIV from offshore.
 - For most of the time since the borders closed, Immigration New Zealand has not been processing offshore applications for GIVs.³⁰

Few Fellows are currently in New Zealand

Only 49 out of 404 International Fellows are currently in New Zealand

Many Fellows have been unable to enter New Zealand since the borders closed. In previous years we have presented data showing the number of days that Fellows have spent in New Zealand since joining the pilot, and exploring variations in individuals' 'patterns of engagement'. This year we have not reported this data because the border restrictions have significantly impacted individuals' ability to travel to and from New Zealand.

Table 8 shows that at 1 November 2020, 49 International Fellows were in New Zealand, five of whom were travelling on non-GIV visas.

however currently these applications are not being processed in line with the directive. INZ are continuing to process onshore GIV applications for applicants in New Zealand and those onshore can be issued and activate their GIV.



Table 8: Number of International Fellows in New Zealand at 1 November 2020

Cohorts	Number of GIV Fellows in NZ as at 1/11/2020	Number of 'Other visa' Fellows in NZ as at 1/11/2020
1	8	.
2	5	.
3	4	.
4	6	.
5	4	.
6	10	2
7	4	1
8	3	2
Total	44	5

Source: INZ data extracted 1 November 2020

Many Fellows are participating from afar

A unique feature of the GIV is that Fellows are not required to spend a prescribed amount of time in New Zealand. Many Fellows were attracted to this component of the GIV (50% of survey respondents said this was 'very important' to them, and 35% said it was 'somewhat important'). Reasons given included:

- personal and family reasons
- having ventures in other countries that need attention, or that the Fellow needs time to transition out of, or needs time to transition to New Zealand
- they are global citizens and/or have global companies that require them to travel regularly

- business interests in their home country would not allow them to be based elsewhere
- not having the funds to relocate immediately
- wanting to maintain international networks while building networks in New Zealand.

Those who were not attracted by the lack of time requirement were either already living in New Zealand or were planning to move to New Zealand when issued with the GIV.

Fellows provide extensive examples of the ways they have been able to participate in the pilot from offshore – both before and after border restrictions took effect. Examples include:

- Supporting others
 - mentoring, strategy support and volunteering as a business coach
 - providing funding.
- Progressing own venture
 - launching pilot programmes
 - progressing desk-based portions of their ventures, including due diligence, research and analysis, and presentation/pitch preparation.
- Creating connections
 - connecting New Zealand Fellows with North American media, technical resources, potential investors and partners – remotely and when they come to International Fellows' home countries.

Many Fellows that were operating remotely found they were still able to progress their initiatives from afar, especially as the world has become more comfortable with online meetings due to COVID-19. However, they



recognised that having spent time making connections and building relationship in person in New Zealand provided a stronger foundation for online engagement.

It makes a huge difference to have had the first couple of trips to New Zealand, Zoom is very good for reinforcing connections, but not amazing for initiating connections [International Fellow]

While most Fellows seem to agree that spending some time in-country does enable progress, it is clear from the evaluation feedback that the number of days in-country is not a good proxy for Fellow engagement.

While the extensive examples provided by Fellows show that contributing remotely is possible, in our view it is unlikely that they would have contributed as much from offshore without the pilot: the visa enables easy access for short or long visits (which can also be reassuring to local stakeholders with whom Fellows are seeking to partner), the potential for permanent residency provides a critical incentive for Fellows' participation and contribution, and the Fellowship provides a readymade network from which to draw knowledge and gain introductions to the wider New Zealand innovation ecosystem.



Mike Hart, Cohort 4, USA

Mike is an established entrepreneur with a strong track record

Mike founded Sierra Energy in 2004 – a multi-award winning, potentially multibillion dollar US-based company committed to advancing technologies that lead to a zero-waste future by converting waste into energy. He joined the GIV pilot intending to expand Sierra Energy into New Zealand.

After joining the pilot, Mike invested significant time in researching whether the necessary preconditions were in place for his venture to work here

When Mike joined the pilot, he already had a good working knowledge of New Zealand, from leisure visits and from opportunities he had previously been exploring to partner with a New Zealand company to expand his tourist operations in the US (Mike is CE of US-based Sierra Railroad Company).

Even so, he spent the next year and a half (six months of that on the ground in New Zealand) undertaking a process of discovery to formulate the scope of his project. He wanted to fully understand the waste problem in New Zealand and to relate information about Sierra's technology and proposed distributed waste-to-hydrogen network to stakeholders. Mike held extensive meetings with various stakeholders from different communities, iwi, political parties, government entities, and public and private companies (in the waste, energy, investment, development, and non-profit spaces).

Mike scaled up his ambitions, and plans to relocate

The scope of Mike's project expanded as he found the following:

- New Zealand has an enabling environment for a venture like his, and there are strong signals that government wants to prioritise sustainability and self-reliance – for example, the recent increase to the landfill levy from \$10 to \$60 per tonne over the next five years, and the Zero Carbon Bill. Sierra Energy can help contribute to the Zero Carbon Bill's commitment to lower methane emissions by 24–47%, while also decreasing the environmental and societal impacts related to transporting waste and fuel around the country. Sierra can do this with no requirement for government subsidy.
- There is substantial interest from local partners (at least 14 cities or iwi Mike visited were interested in one of Sierra's facilities), which is essential for his venture to be a success.
- There is capital available in New Zealand to invest in sustainable energy.
- The discovery process revealed to Mike and his investors that the opportunity in New Zealand was much bigger than they initially envisaged. He has now incorporated a new company, Sierra Energy New Zealand Ltd, and set up the Net Zero Waste New Zealand project, and it is likely that New Zealand will become the first country outside the US where Sierra Energy builds a full facility. Mike is also considering creating a facility in Christchurch to manufacture and assemble Sierra Energy systems for the whole region (New Zealand and other South Pacific nations).

The discovery process also showed Mike and his wife that living in New Zealand on a more fulltime basis could be a sensible option (rather than the original plan of dividing their time between New Zealand and the

Source: Fellow interview



Source: Fellow interview

US). They enjoyed their interactions with Kiwis, and to service the level of interest in his venture would warrant being on the ground fulltime.

Mike’s next step is to take expressions of interest, provide proof of concept and then scale up across the country

Mike has now narrowed his expressions of interest to four locations and their partners with whom he will likely install the first New Zealand system. They include partners from government, universities, iwi, and/or private energy.

It is important to Mike that each community owns their own facility where possible, so the profits stay in the community and locals are employed. The community-owned facilities would be supported and serviced through a central organisation, Sierra Energy NZ Ltd. The overall project proposes to build as many as 200 50-tonne-per-day Pathfinder systems, distributed across New Zealand, that will produce enough hydrogen fuel to offset the current demand for imported diesel by 100%.

Mike was attracted more by the Fellowship than the visa

Mike was visiting New Zealand before joining the GIV and exploring

business opportunities here. He didn’t **need** the visa but was attracted to the pilot for the network provided by the Fellowship. Mike also credits the EHF with facilitating him travelling across New Zealand for his various stakeholder meetings, which meant he had a fantastic experience here.

“they offered something I had never heard of before – the idea that you come fresh into a country with a whole cohort from within New Zealand and over the world that all work together sharing information, building a network in a country where you have no other roots. I thought it was really special, unique”

Overall, the GIV settings have been suitable, except for the restriction on buying property

Mike thinks allowing GIV holders to buy property would enhance the pilot. For Mike, the inability to buy real estate is limiting and makes it so the GIV holders are ‘just visitors’. Without property, he has put off setting up a Sierra facility and it was one of the reasons Mike and his family chose to leave when the country was going into lockdown and their rental property was no longer available. Mike does not feel it is worth returning to New Zealand for an extended period until he is able to buy property.

Create	Support	Connect
<p>What Mike has done to date:</p> <ul style="list-style-type: none"> Incorporated Sierra Energy NZ Ltd and Sierra Railroad Company NZ Ltd. <p>What Mike plans to do:</p> <ul style="list-style-type: none"> Create further partnerships (4 potential partnerships with NZ businesses interested in Net Zero Waste New Zealand; a potential partnership between Sierra Railroad Company and a NZ tourism company to help expand each other’s operations) Continue discussions with iwi about potential mutual projects Continue discussions with Christchurch about solving waste issues. 	<p>What Mike has done to date:</p> <ul style="list-style-type: none"> Met with Ministers, various government officials (central and local), city councils, and other organisations or individuals of influence about ways that Sierra can help to transfer to a carbon free economy and lower greenhouse gases Held three information sessions on Sierra’s technology Two Coffee and Jam Presentations with Ministry of Awesome Working with existing NZ companies to determine Sierra’s potential role Engaged with Robett Hollis and his team for marketing and digital development Gave advice to ecosystem on waste solutions, entrepreneurialism. 	<p>What Mike has done to date:</p> <ul style="list-style-type: none"> Introduced at least one NZ company to a US investor <p>What Mike plans to do:</p> <ul style="list-style-type: none"> Build the first gasification system in NZ – would require a small team of key Sierra Energy employees to spend significant time or relocate.



EHF continues to evolve and adapt

In August 2020 EHF consolidated governance and management with its parent organisation, the Hillary Institute.³¹ At the time of the evaluation interviews (September–October 2020), the Chief Executive of EHF announced his intention to step down at the end of March, and there were intentions to integrate the Boards of the two organisations. EHF would maintain independent delivery of the pilot.

There is evidence of EHF learning from experience and adapting their approaches throughout the pilot to date. Adaptation has continued over the last year, much of which has been in response to COVID-19.

Examples include: moving Welcome Week activities online; discontinuing preferential relationships with contributing ecosystem stakeholders that were making it difficult for non-contributing stakeholders to access Fellows; and creating an open access, searchable directory of Fellows.³²

Fellows from early cohorts are beginning to become eligible to apply for a PRV, and since our last report EHF has designed and implemented processes for assessing their contributions to date.

INZ funding for the pilot has ended

The pilot is funded by a mix of government funding and revenue accessed by EHF from other sources.

A total of \$4 million of government funding was made available to support the pilot. All government funding has now been drawn down (Table 9), which coincides with selection and welcoming of all eight of the planned cohorts.

Table 9: Government funding – spend to date

Year	INZ funding provided (\$NZ)	Total remaining (\$NZ)
Nov 2016 – Mar 2017	\$800,000	\$3,200,000
Apr 2017 – Mar 2018	\$1,300,000	\$1,900,000
Apr 2018 – Mar 2019	\$1,300,000	\$600,000
Apr 2019 – Mar 2020	\$600,000	\$0
Apr 2020 – end Nov 2020	0	0

Source: EHF supplied data

Changing revenue streams

Accessing funding from other sources is in line with the programme intent – that EHF’s delivery of the Fellowship is to become self-sustaining over time.

To date, government funding makes up 50% of total EHF revenue (down from 71% in our first report, and 62% in our last report). If additional funding recently generated from Acceptance Fees (see below) is included, the proportion of EHF funding received from the government drops to 35%. Table 10 shows large changes in revenue streams across the life of the pilot:

³¹ The Hillary Institute of International Leadership is a charitable trust founded in 2007 to *celebrate and promote international leaders solving the wicked problems of our time* (Hillary Institute Annual Report 2020).

³² Although feedback suggests the directory may not yet be working as well as intended.



- a big decrease in reliance on government funding over time – dropping from 76% in Year 2, to 55% in Year 3, 29% in Year 4, and 0% in Year 5 (note that the figures for Year 5 are for only a partial year)
- existing income streams growing in importance over time
 - income from New Frontiers tickets and Catalysts both grew significantly in Year 3 (from 1–3% up to 10%), though went back down to 1% in Year 4 and -1% in Year 5 due to refunds that needed to be processed in response to the events being cancelled as a result of COVID-19
 - a sharp rise in income from Application Fees from 22% in Year 4 to 81% in Year 5 (reflecting the larger volume of applications received for C7–8)
- a significant new income stream being generated
 - a new Acceptance Fee was introduced, providing significant additional income from Year 3.

Additional revenue from Acceptance Fees

Note that Table 10 **excludes** a significant amount of revenue generated from Acceptance Fees for C7–8. It is important to note that most of this revenue has been generated from International Fellows who have been selected but who have not yet been able to apply for the GIV or enter New Zealand due to COVID-19 border closures. Acceptance Fees are refundable if a Fellow chooses to withdraw.

- Additional Acceptance Fees total \$3,594,132, providing a boost to revenue of 45%. EHF has carried the majority of this revenue forward on its balance sheet, to be released monthly over the next three years.
- When these Acceptance Fees are taken into account, the proportion of revenue from Acceptance Fees rises from 14% (in the table) to 40%.



Table 10: EHF revenue streams from project inception to November 2020 – excluding the majority of Acceptance Fees for Cohorts 7 and 8

	Year 1 Apr 2016 – Mar 2017	Year 2 Apr 2017 – Mar 2018	Year 3 Apr 2018 – Mar 2019	Year 4 Apr 2019 – Mar 2020	Year 5 (partial year) Apr 2020 – Nov 2020	TOTAL
NZ and International Fellow Application Fees	38,113 (4% of Year 1)	388,537 (23% of Year 2)	480,150 (20% of Year 3)	455,927 (22% of Year 4)	790,153 (81% of Year 5) *including C7–8	2,152,885 (27% of total)
NZ and International Fellow Acceptance Fees	N/A	N/A	97,206 (4% of Year 3)	816,099 (39% of Year 4)	199,645 (20% of Year 5) **includes a portion of C7–8 fees only	1,112,950 (14% of total)
Government funding	800,000 (92% of Year 1)	1,300,000 (76% of Year 2)	1,300,000 (55% of Year 3)	600,000 (29% of Year 4)	0	4,000,000 (50% of total)
Interest income	123 (0% of Year 1)	229 (0% of Year 2)	224 (0% of Year 3)	213 (0% of year 4)	182 (0% of Year 5)	971 (0% of total)
New Frontiers ticket revenue	22,857 (3% of Year 1)	10,786 (1% of Year 2)	235,168 (10% of Year 3)	26,498 (1% of Year 4)	-12,689 (-1% of Year 5)	282,620 (4% of total)
New Frontiers, Catalyst income	7,500 (1% of Year 1)	15,000 (1% of Year 2)	230,000 (10% of Year 3)	157,500 (8% of Year 4)	-2,500 (0% of Year 5)	407,500 (5% of total)
Grants and donations (including gifts in trust)			17,606 (1% of Year 3)	18,570 (1% of Year 4)		36,176 (0% of total)
Total Income	868,593	1,714,552	2,360,359	2,074,807	974,790	7,993,101 (100% of total)

Source: EHF supplied data

**Note: Acceptance Fees for Cohorts 7 and 8 total \$3,594,132 – only \$199,645 of this has been released as revenue to date (Year 5)



The public-private partnership has not been straightforward

Last year we reported that the relationship between EHF and INZ had become more transactional and strained as the pilot had progressed. The shift was driven by several factors, which continued to result in a transactional relationship in 2020:

- Mismatched expectations about the certainty of additional funding during the life of the pilot, especially as contracted government funding has been depleted
 - partway through 2019, and confirmed in 2020, it became clear that no additional funding would be provided through the contract with INZ
- Limited contractual levers for INZ to actively manage delivery by EHF
 - while the pilot has had some measures in place to ensure accountability and to explore outcomes,³³ the experimental design of the pilot did not lend itself to targets and benchmarks. Rather, it was designed with the understanding that outcomes can take time and may be delivered by a small number of Fellows making a big difference
 - the lack of targets and interim measures has made it difficult to track progress
- A shift in priority and focus for INZ – less emphasis on immigration as an economic lever and more emphasis on INZ’s role as a regulator

³³ Including the five outcome domains presented in the intervention logic model and annual evaluation reports.

- in 2020, the COVID-19 pandemic further reduced INZ’s focus on the pilot.

The contract enabled a ‘building the plane as you fly’ approach that embodied a spirit of innovation and agility that is in keeping with the programme’s intent.³⁴ It is generally agreed that the private partner, EHF, has done a lot to design, implement and adapt effective processes for attraction and selection, which have resulted in a calibre of migrants that would not have been achieved through a government-administered visa programme.

Overall, evaluation participants are positive about the operation of the pilot to date and its ongoing potential to deliver value.

However, some concerns about the programme design remain:

- Several interviewees and survey participants voiced concerns about having the same private partner responsible for multiple parts of the pilot, for two reasons:
 - Having the same organisation responsible for all parts of the process creates incentives that cast doubt over the integrity of selection and PRV decisions for some stakeholders – they would like to see INZ solely responsible for PRV decisions.

We have not seen any evidence of inappropriate influence affecting selection or PRV decisions, but even a **perception** of any conflict of interest could be problematic for New Zealand.

...It is also very clear that the determination and evaluation of points for the PRV application should NOT be done by the EHF. This creates a situation where fellows are reluctant to provide feedback

³⁴ For example, the pilot adapted to feedback and insights from selection and attraction of early cohorts to adjust processes and the characteristics that they were seeking.



for fear of jeopardizing their future application. That evaluation role should be exclusive to government. [International Fellow]

- Some stakeholders believe there has been a disproportionate focus on attraction and selection processes, at the expense of providing effective integration support.

In our view, integration support, was not given sufficient consideration when the programme was designed and there is a substantial risk that without better and more joined-up commitment to activate the Fellowship, the full potential of the pilot will not be achieved.

- Throughout the pilot, it has been unclear what role other government agencies will play in supporting Fellows to integrate into New Zealand. Lack of adequate support for their integration may have led to opportunities to support Fellows being missed.



APPENDIX 1: INTERVENTION LOGIC MODEL



(A3 version also available)

