

# Application for Funding

## Express Applications



### **About this form**

This form enables you to make an express application for funding from the Provincial Growth Fund (PGF). The form is designed solely for applications under \$100,000 relating to planning, feasibility studies, business cases, or training / capability. If your application is for anything else, please use one of the other forms available on the [Provincial Growth Fund website](#)

### **Completing this form**

Please complete all sections. Square brackets and italics indicate guides. Please see the PGF website for further support.

### **Submitting your application**

All completed forms must be emailed to [PGF@mbie.govt.nz](mailto:PGF@mbie.govt.nz) with "PGF Express" in the subject line.

### **Next Steps**

Applications will be assessed for eligibility, as well as how well they will deliver on the aims of the Provincial Growth Fund. One of our team will be in contact regarding your application.

### **Public disclosure**

The Provincial Development Unit is responsible for leading the Provincial Growth Fund's design, administration and monitoring its operation in consultation with other government agencies. In the interests of public transparency, successful applications may be published by the Provincial Development Unit. Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982. Please identify by highlighting any information in your application that you regard as commercially sensitive or as personal information for the purposes of the Privacy Act 1993.

## Part A: Key Details

1. Proposal Title: Industry for the future: Manawatū Plastic Recycling, Processing and Reuse Industry

2. Please provide a very brief description of the project/activity:

Council has committed \$<sup>Commercial Inf</sup> to the construction of the new resource recovery facility in Feilding. To create additional value from this capital investment, the Manawatū District Council sees a significant opportunity to progress from plastic recovery and disposal, to the creation of a viable commercial industry from processing and reuse of plastic waste.

3. Please provide the details of the applicant organisation/entity for which funding is being requested:

<b>Legal Name:</b>	Manawatu District Council
<b>Entity Type:</b>	Local Authority
<b>Registered Offices / Place of Business:</b>	135 Manchester Street, Feilding 4743, Manawatū
<b>Identifying Number:</b>	Not applicable
<b>Organisation's Website:</b>	http://www.mdc.govt.nz

4. Please provide the contact details for a person as a key point of contact:

<b>Contact Name:</b>	Stacey Bell		
<b>Email Address:</b>	Privacy of natural persons	<b>Telephone:</b>	Privacy of natural persons

5. Please describe the principal role or activity of the applicant organisation.

Manawatu District Council is a Territorial Authority subject to the Local Government Act 2002 (the Act), subpart 1, Section 10 – as follows:

**10 Purpose of local government**

(1) The purpose of local government is—

(a) to enable democratic local decision-making and action by, and on behalf of, communities; and  
 (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

(2) In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—

(a) efficient; and  
 (b) effective; and  
 (c) appropriate to present and anticipated future circumstances.

Acting in the role of a local authority under subpart 2, section 11 of the Act, the Manawatu District Council submits the following application to the Provincial Growth Fund.

6. This project will be based in the region of: Manawatu-Wanganui

7. What is the activity / funding start and end date?

<b>Start Date:</b>	Commercial Information	<b>Completion Date:</b>	Commercial Information
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8. Has this project / activity been previously discussed with any part of Government?    Yes:     No:

- If Yes, please describe which part of government, and what the outcome of the discussions were.

Pre- submission discussions have been undertaken with Lafaele Lupo (Regional PGF Advisor – MBIE) and Lisa Chase (Senior Advisor-Regional Economic Development – Te Puni Kōkiri). Lafaele and Lisa have provided valuable feedback on our proposal prior to submission.

9. Have you previously received Government funding for this Project?    Yes:     No:

- If Yes, please list which part of the Government, when the funding was received, and how much under Q11.

10. Please set out the proposed sources of funding for the Project:

Source of Funding:	\$ (excluding GST)
Provincial Growth Fund Funding (through this application)	\$81,864
Manawatū District Council	\$Commercial Info
<b>Total:</b>	\$Commercial Inform

### Part B: Project Description

11. This application is: *“a stand-alone activity”*  or *“in support of a wider project”*

12. If successful, is there likely to be a follow on application?

Commercial Information

13. Please explain the project / activity for which funding is being sought:

The purpose of this application is to apply for funding to undertake a feasibility study to investigate the development of an innovative plastic processing and reuse industry in the District to serve the wider regional demand for plastic disposal alternatives, and support the development of value-added market opportunities.

Initial investigation into processing technologies and reuse opportunities have been undertaken by the Manawatū District Council in conjunction with the development of a new recycling facility in Feilding. In order to recover more plastic for re-use in New Zealand, the Manawatū District Council is committed to improving the sorting of the recycling collected to Council. While this is a start, MDC sees an opportunity to drive the development of an industry which enables sustainable commercial reuse of plastic waste and reduces the impact of disposal of plastic waste to the environment. Undertaking research and development to explore commercially viable opportunities for processing of recycled plastics for re-use in New Zealand is required to develop the industry for a focus on reuse rather than disposal.

Council has committed \$Commercial Info to the construction of the new resource recovery facility in Feilding. The Manawatū District Council sees a significant opportunity to create a commercially viable industry from recovery and reuse of plastic waste and seeks funding through the Provincial Growth Fund to **expand our scope from recovery and disposal of plastic waste, to the processing and production of recycled plastic products**. With support from the fund it is believed that this value-added processing of plastic waste can be achieved at similar net cost to the current crude sorting as the value of the material produced will be much higher.

There is also interest in developing an ‘innovation hub’ within the Resource Recovery Centre to add further value to the facility. This would provide an opportunity for entrepreneurs, schools and community groups to utilise the facilities to innovate with the potential for the development of new commercial products from re-used plastic. The feasibility of enabling the facility to be used for this purpose would be an additional focus of the feasibility study.

Key questions we would need to address within a feasibility study are optimal geographical and volumetric scale to maximise economic sustainability, value-added supply chain opportunities from security of supply, detailed regional supply and demand opportunities for plastic reuse, labour capacity and skills pipelines, sustainability of costs and pricing structures alongside technological inputs and processing.

The scale of any plastic processing industry would be sized to manage sorted plastics from throughout the region.

A flowchart identifying plastic waste products that would be reused in the development of recycled commercial plastic products is attached as an appendix to this application.

The ultimate goal from the pilot project would be to develop a sustainable business model that could be replicated in other areas across New Zealand.

14. How does this project demonstrate additionality within the region?

The proposal represents an opportunity to optimise the benefits of planned investment in the construction of a recycling and recovery centre, by expanding the scope to include reuse technology and processes, alongside the development of a commercially sustainable business model for replication across New Zealand.

**Development of the industry to optimise the economic and environmental benefits however comes with significant risk.**

Market forces and environmental concerns have created the need to develop an industry to both create market value and economic opportunities from plastic waste streams and ensure they do not contaminate the environment. While the importance of finding solutions to plastic waste is clear, there is significant risk for the private sector in investing at the level required to drive optimal industry development and public benefits. Reducing this risk is where we believe there is a role for Central and Local Government.

Government is well positioned to support the development of a recycling and reuse industry by sharing the risk profile of industry investment. In particular, socially optimal scale is more likely to be achieved where the 'public good' share of costs are funded through public investment. Local government is also well placed to contribute to optimal development of the industry through the transfer of technology, expertise and capital to support productivity in the industry.

The absence of evidence to drive investment however is constraining development of the plastic recycling and reuse industry. A feasibility study would provide much-needed evidence to guide optimal public and private investment to support expansion of the industry for the delivery of optimal economic and environmental benefits to the region and further afield.

Funding for the feasibility study does not include any maintenance funding. Any subsequent application for funding would focus on capital funding with operational/maintenance costs outside the scope of any PGF application.

The proposal also directly addresses the Government's additionality objectives in the following ways:

- 1.) The expansion of the Feilding Resource Recovery Centre to commercial processing for reuse would remove the requirement for, and cost of disposal and develop a revenue stream from the economic value placed on reused plastic products. Importantly, creating a commercial value for reused plastic increases the sustainability of our domestic economic system by internalising the cost of plastic waste disposal over the long term. Commercial value would create a cost recovery mechanism for Councils, ideally reducing aggregate operational costs across waste management services, and reducing costs to ratepayers. Optimal investment in capital to increase productivity and processes is central to achieving these outcomes.
- 2.) Increasing the economic value of waste materials is also likely to result in greater capture of waste products to the environment by creating an incentive for recycling. Market recovery prices would need to be considered within a commercial case as part of the feasibility study. Other incentives such as consumer expectations would also encourage businesses to take up opportunities for more sustainable practices that the proposed industry would deliver.
- 3.) The Manawatū District economy is heavily reliant on our primary and agri-food manufacturing sectors. As a means of adapting to our commitment to a zero carbon future, MDC is also looking at opportunities to support our industries to innovate to raise productivity alongside decreasing our environmental footprint. Establishing the District as a hub of innovation for green technology and environmentally sustainable practices will diversify our economy while building on our reputation as a future-focused agri-food sector hub.

15. How is the project connected to regional (and sector) stakeholders and frameworks?

**Connected to regional stakeholders and frameworks**

Manawatū District Council is working with our Central Economic Development Agency and has briefed surrounding Councils and Accelerate25 on the proposal. Positive feedback and the will to be involved has been expressed by other Councils dealing with similar challenges. In particular, the Rangitikei District Council has provided their support for our initiatives and expressed an interest in working together to deliver benefits on a wider scale. Plastics New Zealand has also expressed their support for the initiative.

Letters of support from our Central Economic Development Agency, Rangitikei District Council and Plastics New Zealand are attached as appendices to this application.

More engagement is required to determine specific opportunities for investment, resourcing, and community and Iwi/Māori participation. This engagement will be undertaken as a priority for Council.

The proposal is consistent with our local government and regional strategic frameworks as follows:

Application	Manawatu District Council Strategy	Horizons Regional Council Strategy
<b>Industry for the future: Manawatū Plastic Recycling and Processing Industry</b>	<b>Economic Development Strategy</b> – ‘Growing business to service our local community, the broader region, NZ and international markets’ ‘Employing innovation to ify and grow the economic potential of the our economy’	<b>Accelerate25 Action Plan</b> Success – ‘for a stronger and more prosperous Manawatū-Whanganui by 2025.’
	<b>Waste Management and Minimisation Plan</b> – ‘The Council’s goals for solid waste management and minimisation are: Waste minimisation – to promote waste reduction in rural and urban communities through education, development and implementation of recycling, reuse and recovery methods; and, Waste management – To deliver efficient and cost effective solid waste services to customers while safeguarding public health, taking into account cultural issues and minimising adverse effects on both the rural and urban environment.’	<b>Horizons Regional Council</b> Our Purpose – To create opportunities for the region to grow economically and socially in a way that preserves our enhances agreed environmental and cultural values. Our Goals – To facilitate regional economic growth; To maintain and enhance the region’s environmental values; To increase community resilience to natural hazards; To improve our region’s accessibility and transport links; To empower people and communities to make our region a great place.

Investment in the development of a plastic recycling, processing and reuse industry fully aligns with the strategic objectives of both the Manawatū District Council and Horizons Regional Council.

16. How will your project lift productivity potential in the regions?

PGF Outcome	✓	How will the project positively or negatively impact this outcome in the region(s) identified?
1. Increase economic output	✓	From the establishment of a commercially viable industry, multiplier impacts generated from employment and the increase in demand for services from support industries will generate additional economic benefits to the region. Diversification of our industry structure to include economic activities which complement our focus on adaptation to environmental limits would also generate additional economic output in addition to supporting our local service providers.
2. Enhance utilisation of and/or returns for Māori assets	☐	While the project does not explicitly relate to enhancing returns to Māori assets, protection of the environment and more sustainable use of land is consistent with improving the mauri of our environment. Iwi and Māori business participation would be sought at the stakeholder and investment level.
3. Increase productivity and growth	✓	Evidence to guide optimal capital investment into plant and processes to reduce costs while increasing the value of recycled product would increase productivity and drive sustainability of the industry alongside economically efficient delivery of services. Economic multiplier benefits from increased economic activity and employment will generate further economic returns to the region.
4. Increase local employment and wages (in general and for Māori)	✓	The proposal would provide employment opportunities with an estimated eight additional staff required for the application of sorting and plant processes. <small>Commercial Information</small> [REDACTED] A feasibility study will identify detailed resource requirements in terms of labour and productive capital, however current investigation supports the generation of employment for both marginalised groups in society plus skilled technicians.
5. Increase local employment, education and/or training opportunities for youth (in general and for Māori)	✓	As above, the proposal has potential to increase employment for both low-skilled workers and/or youth, and skilled technicians. Detailed skill profiles will need to be established as part of a feasibility study. The delivery of an 'innovation hub' to enable entrepreneurial activity and the creation of new commercial products creates an additional opportunity to support training, education, and employment opportunities across all age groups.
6. Improve digital communications, within and/or between regions	☐	N/A
7. Improve resilience and sustainability of transport infrastructure, within and/or between regions	☐	N/A
8. Contribute to mitigating or adapting to climate change	✓	The project is consistent with Central Government commitments to reducing the environmental and ecological harm of waste from human and economic activity. It also supports diversification of our economy to include complementary environmentally friendly practices.

9. Increase the sustainable use of and benefit from natural assets	✓	The proposal is focused on improving the productive use of land, water and other resources fundamental to the mauri of our environment and the values of our communities including our Iwi and Māori communities.
10. Enhance wellbeing, within and/or between regions	✓	The proposed activity will support environmental and economic wellbeing both within the district and across our partner region as alternatives to disposal of plastic waste are generated. The generation of a diversified sustainable industry will create opportunities to enhance wellbeing as employment opportunities increase, while the establishment of an innovation hub to support entrepreneurial activity and product development will encourage community involvement and inclusion, with the potential to generate additional income and add further to the wellbeing of our communities. Opportunities for community involvement in development alongside investment and co-management would be considered within feasibility study research.
Total number of outcomes project contributes to	7/10	

PROACTIVELY RELEASED

## Part C: Project Delivery

17. Governance: Please explain how you will deliver and manage the activity:

### **Governance, risk management, and project execution**

Project management would be resourced in-house with project sponsorship undertaken by Chief Executive Richard Templer. In-house expertise would contribute to the development of a five case business model with external expertise sought to advise on aspects of evaluation, research and development. Our Elected Members and Chief Executive would serve in a governance role and would take ultimate responsibility for decision-making and engagement.

- **How will the activity be managed within your organisation?**

The active management of the activity is noted below.

- **What involvement is required from the Provincial Development Unit?**

Guidance to support the application process.

- **What procurement process has been undertaken (i.e. a selection of a provider), or will be, and how will that be managed?**

Solid waste specialist will need to be selected to undertake the feasibility study. All procurement will comply with the Manawātū District Council which is based on NZ Treasury Guidelines.

- **What project management practices will be in place?**

Manawatu District Council follow the best practice guidance contained in the Project Management Body of Knowledge (PMBOK v6) which is tailored to the scale and type of project.

- **The oversight / governance arrangements which are, or will be, put in place?**

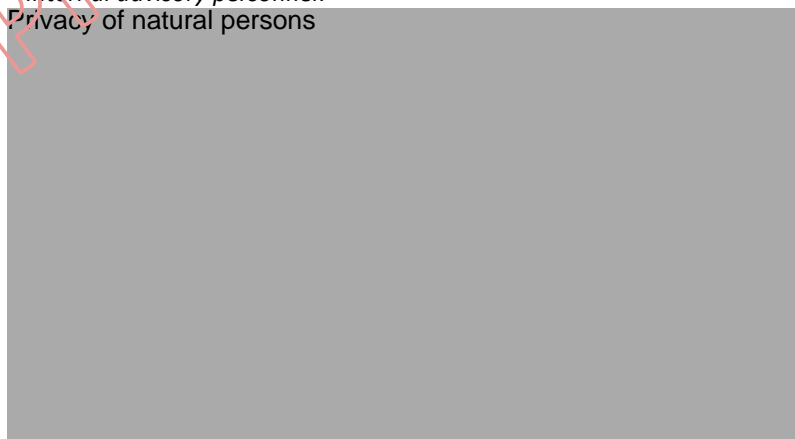
Overview will be provided by:

Formal reports to Council meetings and/or Workshops

Informally through the Economic Development Focus Group which comprises a number of Councillors, the Council Management Team and the Economic Development Adviser.

- **Who the key personnel are?**

*Internal advisory personnel:*  
Privacy of natural persons



- **Any other relevant information relating to the delivery of this activity**

N/A



18. What are the proposed deliverables if funding is approved?

#	Deliverable	Due Date	Associated Payment (ex-GST)
1	Delivery of a feasibility study	Commercial Information	\$81,864
2	Delivery of a business case	Commercial Information	\$ Commercial Inf

19. Please provide a breakdown of the costs of the project:

Cost Description:	\$ (excluding GST)
Preliminary and General	\$ Commercial
<b>Process options study</b>	
Project Engineer	\$ Commercial Inf
Special Projects Manager	\$ Commercial Inf
International expert input and review	\$ Commercial Inf
Site verification review	\$ Commercial Inf
<b>Business case development</b>	
Project Engineer	\$ Commercial Inf
Special Projects Manager	\$ Commercial
Economic case	\$ Commercial
Project Delivery Manager Review	\$ Commercial
Contingency	\$ Commercial
Total	\$ Commercial Inform

20. What risks are associated with the delivery of this activity?

#	Risk	Mitigation approach	Rating
1	If no specialist is able to respond to the need, then the deliverable will not be provided.	Council will look at engaging a specialist from New Zealand or overseas to deliver the technical aspects of the feasibility study	Low
2	If the contractor's price is higher than budgeted then additional funding may be required.	Proposals will be required and evaluated before engaging a contractor. If the price is higher than budgeted, additional funding will need to be approved before contracting.	Medium
3	If estimated waste volumes are not accurate, then the feasibility study will need to be adapted.	Volumes are estimated and regularly reviewed with more accurate or detailed information.	Medium

**Part D: Declarations**



1. Has this activity ever been declined Crown Funding in the past?
2. Is the applicant or the contracting entity insolvent or subject to any insolvency action, administration or other legal proceedings?
3. The contracting entity is compliant and will continue to comply with all applicable laws, regulations, rules and professional codes of conduct or practice including but not limited to health and safety and employment practices
4. Is any individual involved in the application, the proposed contracting entity or the project, an undischarged bankrupt?
5. Is any individual under investigation for, or has any individual been convicted of, any offence that has a bearing on the operation of the project?
6. Are there any actual, potential or perceived conflicts of interest that the applicant or any of the key personnel have in relation to this project.  
 "In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully..."  
<https://www.oag.govt.nz/2007/conflicts-public-entities>

If you answered "Yes" to any of the above, please provide a description below:

By completing the details below, the applicant makes the following declaration about its application for Provincial Growth Fund funding for the project ("application"):

- I have read, understand and agree to the Terms and Conditions of applying for Provincial Growth Fund funding which are attached as Appendix 1;
- The statements in the application are true and the information provided is complete and correct, and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made;
- I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application;
- I consent to this application being publically released if funding is approved. I have identified the commercially sensitive and personal information.
- The applicant warrants that it has no actual, potential or perceived conflict of interest (except any already declared in the application) in submitting the application, or entering into a contract to carry out the project. Where a conflict of interest arises during the application or assessment process, the applicant will report it immediately to the Provincial Development Unit by emailing [PGF@mbie.govt.nz](mailto:PGF@mbie.govt.nz); and
- I understand that the falsification of information, supplying misleading information, or the suppression of material information in this application, may result in the application being eliminated from the assessment process and may be grounds for termination of any contract awarded as a result of this application process.

**Full name:**  
**Richard Templer**

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**Title / position:**  
**Chief Executive**

**Signature:**

Privacy of natural persons



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**Date:**  
**20 September 2018**

## **Appendix 1 – Terms and Conditions of this Application**

### **General**

The terms and conditions are non-negotiable and do not require a response. Each applicant that submits a request for Provincial Growth Fund (“PGF”) funding (each an “application”) has confirmed by their signature on the application that these terms and conditions are accepted without reservation or variation.

The Provincial Growth Fund is a government initiative which is administered by the Provincial Development Unit, a unit within the Ministry of Business, Innovation and Employment. Any reference to the Provincial Development Unit in these terms and conditions, is a reference to MBIE on behalf of the Crown.

### **Reliance by Provincial Development Unit**

The Provincial Development Unit may rely upon all statements made by any applicant in an application and in correspondence or negotiations with the Provincial Development Unit or its representatives. If an application is approved for funding, any such statements may be included in the contract.

Each applicant must ensure all information provided to the Provincial Development Unit is complete and accurate. The Provincial Development Unit is under no obligation to check any application for errors, omissions, or inaccuracies. Each applicant will notify the Provincial Development Unit promptly upon becoming aware of any errors, omissions or inaccuracies in its application or in any additional information provided by the applicant.

### **Ownership and intellectual property**

Ownership of the intellectual property rights in an application does not pass to the Provincial Development Unit. However, in submitting an application, each applicant grants the Provincial Development Unit a non-exclusive, transferable, perpetual licence to use and disclose its application for the purpose of assessing and decision making related to the PGF application process. Any hard copy application or documentation supplied by you to the Provincial Development Unit may not be returned to you.

By submitting an application, each applicant warrants that the provision of that information to the Provincial Development Unit, and the use of it by the Provincial Development Unit for the evaluation of the application and for any resulting negotiation, will not breach any third-party intellectual property rights.

### **Confidentiality**

The Provincial Development Unit is bound by the Official Information Act 1982 (“OIA”), the Privacy Act 1993, parliamentary and constitutional convention and any other obligations imposed by law. While the Provincial Development Unit intends to treat information in applications as confidential to ensure fairness for applicants during the assessment and decision making process, the information can be requested by third parties and the Provincial Development Unit must provide that information if required by law. If the Provincial Development Unit receives an OIA request that relates to information in this application, where possible, the Provincial Development Unit will consult with you and may ask you to confirm whether the information is considered by you to be confidential or still commercially sensitive, and if so, to explain why.

The Provincial Development Unit may disclose any application and any related documents or information provided by the applicant, to any person who is directly involved in the PGF application and assessment process on its behalf including the Independent Advisory Panel (“IAP”), officers, employees, consultants, contractors and professional advisors of the Provincial Development Unit or of any government agency. The disclosed information will only be used for the purpose of participating in the PGF application and assessment process, which will include carrying out due diligence. If an application is approved for funding, information provided in the application and any related documents may be used for the purpose of contracting.

In the interests of public transparency, if an application is approved for funding, the application (and any related documents) may be published by the Provincial Development Unit. Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982.

### **Limitation of Advice**

Any advice given by the Provincial Development Unit, any other government agency, their officers, employees, advisers, other representatives, or the IAP about the content of your application does not commit the decision maker (it may be Senior Regional Officials, Ministers or Cabinet depending on the level of funding requested and the nature of the project) to make a decision about your application.

This limitation includes individual members of the IAP. The IAP’s recommendations and advice are made by the IAP in its formal sessions and any views expressed by individual members of the IAP outside of these do not commit the IAP to make any

recommendation.

#### **No contractual obligations created**

No contract or other legal obligations arise between the Provincial Development Unit and any applicant out of, or in relation to, the application and assessment process, until a formal written contract (if any) is signed by both the Provincial Development Unit and a successful applicant.

#### **No process contract**

The PGF application and assessment process does not legally oblige or otherwise commit the Provincial Development Unit to proceed with that process or to assess any particular applicant's application or enter into any negotiations or contractual arrangements with any applicant. For the avoidance of doubt, this application and assessment process does not give rise to a process contract.

#### **Costs and expenses**

The Provincial Development Unit is not responsible for any costs or expenses incurred by you in the preparation of an application.

#### **Exclusion of liability**

Neither the Provincial Development Unit or any other government agency, nor their officers, employees, advisers or other representatives, nor the IAP or its members will be liable (in contract or tort, including negligence, or otherwise) for any direct or indirect damage, expense, loss or cost (including legal costs) incurred or suffered by any applicant, its affiliates or other person in connection with this application and assessment process, including without limitation:

- a) the assessment process
- b) the preparation of any application
- c) any investigations of or by any applicant
- d) concluding any contract
- e) the acceptance or rejection of any application, or
- f) any information given or not given to any applicant(s).

By participating in this application and assessment process, each applicant waives any rights that it may have to make any claim against the Provincial Development Unit. To the extent that legal relations between the Provincial Development Unit and any applicant cannot be excluded as a matter of law, the liability of the Provincial Development Unit is limited to \$1.

Nothing contained or implied in or arising out of the PGF documentation or any other communications to any applicant shall be construed as legal, financial, or other advice of any kind.

#### **Inducements**

You must not directly or indirectly provide any form of inducement or reward to any IAP member, officer, employee, advisor, or other representative of the Provincial Development Unit or any other government agency in connection with this application and assessment process.

#### **Governing law and jurisdiction**

The PGF application and assessment process will be construed according to, and governed by, New Zealand law and you agree to submit to the exclusive jurisdiction of New Zealand courts in any dispute concerning your application.

#### **Public statements**

The Provincial Development Unit and any other government agency, or any relevant Minister, may make public in whole or in part this application form including the following information:

- the name of the applicant(s)
- the application title
- a high-level description of the proposed project/activity
- the total amount of funding and the period of time for which funding has been approved
- the region and/or sector to which the project relates

The Provincial Development Unit asks applicants not to release any media statement or other information relating to the submission or approval of any application to any public medium without prior agreement of the Provincial Development Unit.

## Appendix 2 - Operational criteria for all tiers of the Fund

### Link to Fund and government outcomes

- Demonstrate the ways in which the project will contribute to lifting the productivity potential of the region
- Demonstrate how the project contributes to the Fund's objectives of:
  - more permanent jobs
  - benefits to the community and different groups in the community
  - increased utilisation and returns for Māori from their asset base (where applicable)
  - sustainability of natural assets (e.g. water, soil integrity, the health and ecological functioning of natural habitats)
  - mitigating or adapting to climate change effects, including transitioning to a low emissions economy
- Clear evidence of public benefits (i.e. benefits other than increased profitability for the applicant)
- Are in a Government priority region or sector

### Additionality

- Project is not already underway, does not involve maintenance of core infrastructure or assets (except for rail and transport resilience initiatives), and does not cover activities the applicant is already funded for (funding could be considered to increase the scale of existing projects or re-start stalled projects)
- Demonstrated benefit of central Government investment or support
- Detail of any supporting third party funding (and any funding sought unsuccessfully)
- Acts as a catalyst to unlock a region's productivity potential
- Demonstrated links to other tiers of the Fund and related projects, to maximise value of Government investment

### Connected to regional stakeholders and frameworks

- Evidence of relevant regional and local support, either through existing regional development mechanisms, or through another relevant body such as a council, iwi or other representative group (or reasons for any lack of local support)
- Has been raised and discussed with the region's economic development governance group
- Alignment with, or support for the outcomes of, any relevant regional development plan, Māori development strategy or similar document (whether regional or national)
- Demonstrated improvement in regional connectedness (within and between regions)
- Leverage credible local and community input, funding, commercial and non-commercial partners
- Utilise existing local, regional or iwi/Māori governance mechanisms

### Governance, risk management and project execution

- Evidence of robust project governance, risk identification/management and decision-making systems and an implementation plan appropriate to the size, scale and nature of the project
- Future ownership options for capital projects, including responsibility for maintenance, further development, and other relevant matters
- Benefits and risks clearly identified and quantified, depending on the scale of the initiative
- Evidence of potential exit gates and stop/go points, and a clear exit strategy
- Clearly identifies whole of life costs (capital and operating)
- Dependencies with other related projects are identified
- Evidence of sustainability after conclusion of PGF funding
- Adequacy of asset management capability (for capital projects)
- Compliance with international obligations (where relevant)

