



## PROACTIVE RELEASE COVERSHEET

<b>Minister</b>	Hon Stuart Nash	<b>Portfolio</b>	Tourism
<b>Title of Cabinet paper</b>	Establishing the broad parameters of an Innovation Programme for Tourism Recovery	<b>Date to be published</b>	14/07/2022

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
May 2022	Establishing the broad parameters of an Innovation Programme for Tourism Recovery	Office of the Minister of Tourism
9 May 2022	Establishing the broad parameters of an Innovation Programme for Tourism Recovery CAB-22-MIN-0169	Cabinet Office

### **Information redacted**

**No**

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# Cabinet

## Minute of Decision

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### Establishing the Broad Parameters of an Innovation Programme for Tourism Recovery

Portfolios                      Finance / Tourism

On 9 May 2022, Cabinet:

- 1        **noted** that COVID-19 has had a significant impact on tourism in New Zealand, and the government has provided significant investment to support the sector through the pandemic;
- 2        **noted** that in April 2022, it was agreed through the Budget process to transfer \$54.226 million in underspends from the Tourism portfolio from 2021/22 to 2022/23 and establish a Tourism Recovery Programme to ‘support the tourism sector’s recovery from COVID-19 and the government’s strategic direction to ‘reset and rebuild tourism on a sustainable model’ [CAB-22-MIN-0129];
- 3        **noted** that Cabinet also agreed that detailed policy design decisions will be made jointly by the Minister of Finance and the Minister of Tourism [CAB-22-MIN-0129];
- 4        **agreed** that the joint Ministers group referred to in paragraph 3 also include the Minister of Māori Development;
- 5        **noted** that by funding higher risk, innovative activities, which are unlikely to be a priority for firms in the rebuild phase due to limited cashflow and capital, the government can take advantage of the opportunity to drive the sector towards a more regenerative model;
- 6        **agreed** that the Tourism Recovery Programme be renamed to the Innovation Programme for Tourism Recovery;
- 7        **noted** that the Innovation Programme for Tourism Recovery will be announced on Budget Day, 19 May 2022;
- 8        **agreed** that the Innovation Programme for Tourism Recovery should meet the following principles:
  - 8.1       support the transition of the tourism sector to a high wage, low carbon model;
  - 8.2       deliver transformational outcomes for the tourism sector;
  - 8.3       support a successful tourism recovery;

- 8.4 support the intended outcomes of long-term strategic initiatives such as the Tourism Industry Transformation Plan;
- 8.5 be based on a sustainable, co-investment funding model; and
- 8.6 complement and minimise duplication of existing initiatives and programmes;
- 9 **agreed** that the Innovation Programme for Tourism Recovery has broad, open eligibility (entities with a New Zealand presence) to drive the greatest level of innovation and transformational change;
- 10 **noted** that joint Ministers may revisit this eligibility after engagement with the stakeholder group;
- 11 **agreed** that the Innovation Programme for Tourism Recovery should fund initiatives that deliver on one or more of the following outcomes:
- 11.1 Climate: reduce carbon emissions in the tourism sector or have a positive impact on the climate;
- 11.2 Sustainability: increase the resilience or environmental sustainability of tourism;
- 11.3 Technology: lift productivity or capability of the tourism sector through technology-based solutions;
- 12 **agreed** to establish a stakeholder group made up of key industry and expert stakeholders to engage with on detailed policy design, including but not limited to:
- 12.1 mechanism of delivery;
- 12.2 detailed investment criteria;
- 12.3 investment parameters (including cap and/or minimum level of funding);
- 12.4 co-funding requirements;
- 12.5 application and assessment process;
- 12.6 permitted use of funding;
- 12.7 monitoring and evaluation requirements;
- 13 **noted** that the Minister of Tourism will agree the membership of the stakeholder group and engagement plan and will send invitations to participants shortly following announcement;
- 14 **noted** that engagement with the stakeholder group will begin in June 2022 with final policy design decisions expected to be taken by joint Ministers in the third quarter of 2022, including the parameters outlined in paragraph 12 as well as further implementation decisions (timeframe and delivery provider);

- 15 **authorised** the approval of any further financial decisions within the allocated \$54.226 million, including administration funding, to the Minister of Finance and Minister of Tourism.

Michael Webster  
Secretary of the Cabinet