



## Economic Development Weekly Report

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<b>Week ending:</b>	16/02/2024	<b>Priority:</b>	Medium
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<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2324-1808
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<b>Recipient</b>	<b>Action sought</b>
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Hon Melissa Lee Minister for Economic Development	Note the contents of this report
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Dean Ford  
**General Manager**  
Economic Development and Transitions  
Ministry of Business, Innovation and Employment

Privacy of  
natural persons

**16 February 2024**

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Minister's comments:

## Updates

Title	Comment
Confidential advice to Government	
<b>Remaining work for the Circular Economy and Bioeconomy programme</b> Privacy of natural persons	You are responsible for developing the Circular Economy and Bioeconomy (CEBE) Strategy and associated research programme actions in the first Emissions Reduction Plan (ERP).  You decided recently not to develop the CEBE Strategy. Instead, the research already underway would be completed in March and the evidence from this would be used to identify actions for future ERPs [ref 2324-1498].

Title	Comment
	<p>Your decision provides total savings of \$1,210,000; \$910,000 for FY23/24 and \$300,000 for FY24/25. These savings will be included in MBIE's Budget submission to Treasury.</p> <p>MBIE will complete the CEBE research programme by the end of March 2024. Officials will use the findings to identify potential actions to reduce emissions which are aligned with Government's economic priorities, including increasing the value of exports, by July 2024. You would then, in consultation with relevant Ministers, decide which actions, if any, should be developed further.</p> <p>Legal professional privilege</p> <p>A Cabinet decision is required to not develop a CEBE Strategy. The Ministry for the Environment is intending to formally close all actions that the Ministers have decided to stop in a Cabinet paper that the Minister for Climate Change is putting up shortly. We would include the decision on the CEBE Strategy in this paper.</p> <p>You have received a briefing on the Equitable Transitions work programme which recommends a meeting with the Minister for Climate Change to discuss your decision on the Equitable Transitions Strategy [ref 2324-1653]. You could discuss your decision on CEBE at the same time and we can supply you with talking points to support that conversation.</p>
<p><b>Budget 24 - New Zealand Screen Production Rebate - International update</b></p> <p>Privacy of natural persons</p>	<p>You have been invited to submit a bid for Budget 24 for the New Zealand Screen Production Rebate - International (NZSPR –International). On 23 January 2024, you agreed to submit a Budget bid to top up the current multi-year appropriation (MYA) at an indicative scale of \$110 million [Briefing 2324-1538 refers].</p> <p>Some developments since this advice have resulted in the need to increase the scale of this bid to \$155 million (an increase of \$45 million). This reflects:</p> <ul style="list-style-type: none"> <li>• better accounting for accruals associated with uplift payments for a large production, which brings forward additional spend from future years, and</li> <li>• registration of additional productions, including two large productions that registered in January, and an indication of at least three further productions that are likely to apply for the Uplift.</li> </ul> <p>In light of this updated spending forecast, funding available in the MYA as at 31 January 2024 is likely sufficient to cover obligations in the fiscal year 2024/25. A balance of around \$20 million is projected to remain at the end of 2024/<sup>Confidential advice to</sup></p> <p>Confidential advice to Government</p> <p>This reinforces the need to proceed with a Budget 24 bid, as you previously directed, though at this higher level. <sup>Confidential advice to Government</sup></p> <p>We can provide you with more detailed information and advice on request setting out funding needs and risks associated with the NZSPR – International to inform any future engagement with the Minister of Finance related to funding and costs of the rebate.</p>









