



## BRIEFING

### Closure of MBIE Pacific Economic Development Programmes

<b>Date:</b>	14 February 2024	<b>Priority:</b>	High
<b>Security classification:</b>	In-Confidence	<b>Tracking number:</b>	2324-2027

Action sought		
	Action sought	Deadline
Hon Melissa Lee <b>Minister for Economic Development</b>	<p><b>Approve</b> the communications plan and related documents, including letters to key stakeholders for each programme in your name.</p> <p><b>Agree</b> that officials provide further advice on the termination of each contract's funding arrangements, and any final payment obligations due to the termination of the Pacific Economic programmes.</p> <p><b>Agree</b> to forward this briefing to Hon Dr Shane Reti, Minister for Pacific Peoples.</p>	19 February 2024

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Odette Frost	Manager, Langa Le Vā Pacific Economic Policy	Privacy of natural persons	✓

The following departments/agencies have been consulted

- Minister's office to complete:**
- |   |  |
|---|--|
| <input type="checkbox"/> Approved             | <input type="checkbox"/> Declined            |
| <input type="checkbox"/> Noted                | <input type="checkbox"/> Needs change        |
| <input type="checkbox"/> Seen                 | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn           |



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#### Purpose

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To inform you of the process to close the MBIE Pacific Economic Development programmes and seek your approval on the communications plan, and related documents, including letters in your name.

#### Recommended action

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The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

- a **Note** that you asked officials to close three of the Pacific Economic Development programmes delivered by MBIE and terminate the contracts related to these programmes by the end of the 23/24 financial year.

*Noted*

- b **Note** that to expedite the closure of the programme in a way that mitigates commercial risk for contract parties, MBIE will need to inform key stakeholders of each programmes' closure as soon as possible.

*Noted*

- c **Approve** the communications plan and related documents, including letters to key stakeholders in your name.

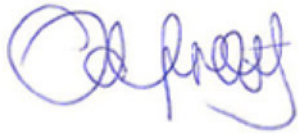
*Agree / Disagree*

- d **Agree** that officials will provide you with further advice on the termination of each contract's funding arrangements, and any final payment obligations due to the termination of the respective programmes.

*Agree / Disagree*

e **Agree** to forward this briefing to Hon Dr Shane Reti, Minister for Pacific Peoples.

*Agree / Disagree*



**Odette Frost**  
Acting Manager  
Langa Le Vā, Pacific Economic Policy  
MBIE  
14 / 02 / 2024

Hon Melissa Lee  
**Minister for Economic Development**  
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## Background

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1. After your consideration of previous fiscal information (briefing 2324-1498 refers) you directed officials to close three of the Pacific economic development programmes by the end of the 23/24 financial year. To close the programmes, we will terminate existing contracts from this date.
2. This briefing outlines the process for the closure of three Pacific economic programmes managed by MBIE:
  - a. Auckland Pacific Skills Shift (Alo Vaka)
  - b. Pacific Business Procurement Support Service (PPSS)
  - c. Senior Diverse Leaders Capability Pilot (Tū Mau Mana Moana).
3. It seeks your agreement on the communications plan and relevant documents including letters in your name to key stakeholders for each programme, including those appointed to programme related governance and leadership groups.

## Programme Closure: Communications Plan

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4. To inform our stakeholders of the Government's decision to close the MBIE Pacific economic development programmes, we have developed a communications plan (Annex One). The plan outlines a structured approach to manage stakeholder communication effectively, ensuring that the programme closure is handled with professionalism and cultural sensitivity, and to deliver a clear and concise message about the discontinuation of the programme.

## Stakeholders

5. The Pacific economic programmes have a range of stakeholders that need to be informed of the programme closure. This includes partner organisations and governance groups comprised of officials:
  - a. **Alo Vaka:**
    - The three delivery partner organisations: Tātaki Auckland Unlimited, The Southern Initiative and The Cause Collective.
    - The evaluators for the Alo Vaka programme: Sapere.
    - Alo Vaka Governance Group.
    - Alo Vaka Oversight/Working Groups.
  - b. **Pacific Procurement Support Service:**
    - Our delivery partner: Pacific Business Trust.
    - PPSS Governance Group.
6. Due to their role in the programmes it would be appropriate that these stakeholders receive a letter from you informing them of the Government's decision to close the programmes. We have included draft letters for delivery partner organisations in Annex Two. Officials will work with your office to send these to stakeholders. Governance Groups will be informed of programmes' closure by officials.

a. **Tū Mau Mana Moana:**

- The delivery partner: Leadership New Zealand.
- The evaluators for the programme: Deloitte.
- Tū Mau Mana Moana Working Group.

7. Both Leadership NZ and Deloitte will have completed their contract milestone delivery by 30 June 2024 so will not need a letter to communicate the termination of their contracts.

Commercial Information

**Timing**

11. We understand that you will take an oral item to Cabinet on closure timing relating to Just Transitions and Pacific economic development programmes, and you will receive talking points for Cabinet that cover off both. Contract terminations can be timed for after any budget day announcement reflecting the budget-sensitive nature of this action or as soon as possible prior to this date.
12. It is important that MBIE notifies stakeholders as soon as practical. Contracted stakeholders are currently making business decisions based on future funding provided under these contracts. This will mitigate future commercial risk.
13. The focus will be on ensuring key stakeholders are informed at a similar time.
14. Officials will also travel to Auckland to discuss with key delivery partners.

**Current contracts**

15. The current contracts with our delivery partners for these programmes end between 29 March 2024 to 30 June 2025:

<b>Programme</b>	<b>Supplier</b>	<b>Current contract end date</b>
<b>Alo Vaka</b>	Tātaki Auckland Unlimited	31 December 2024
	The Southern Initiative	31 December 2024
	The Cause Collective	31 December 2024
	Sapere (evaluation)	30 June 2025

<b>PPSS</b>	Pacific Business Trust	30 December 2024
<b>Tū Mau Mana Moana</b>	Leadership NZ	30 June 2024
	Deloitte (evaluation)	29 March 2024

16. Upon your direction we will work with contracted parties to terminate programme contracts with our delivery partners by 30 June 2024. The contracted evaluator will complete a final report by 30 September 2024.

17. Legal professional privilege 

18. We will provide you with further advice on the termination of each contract, including any final amounts owing on each contract.

### Next Steps

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19. Upon your agreement to the communications plan, we will engage with your office and subsequently enact the plan to inform stakeholders and begin the process to terminate selected contracts by 30 June 2024.

20. We recommend that you forward this briefing to the Hon Dr Shane Reti, who has an interest in these programmes as the Minister for Pacific Peoples. We would work together with the Ministry for Pacific peoples to align with any broader Government messaging in relation to Pacific work.

### Annexes

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Annex One: Communications Plan

Annex Two: Letters to Stakeholders

## Annex One: Communications Plan

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<b>Phase</b>	<b>Actions for Minister</b>	<b>Actions for MBIE</b>
<b>Preparation</b>	Agree to the wording of the letters to the delivery partner organisations for each programme.	Following your feedback on the letters, we will provide you with the final letters for your signature. Letters will be returned to your office within 24 hours.
<b>Engagement</b>	Sign out letters. Officials to deliver in person.	We will work with your office regarding the timing of the discussions between officials and delivery partner organisations.
		Governance Groups are updated on programme closure by officials.

## Annex Two: Stakeholder Letters

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**DRAFT**

Alo Vaka Delivery Partners

XX February 2024

Mālō e lelei, Talofa lava, Taloha ni, Kia orana, Fakaalofa lahi atu, Namaste, Ni sa bula  
(enter name of partner),

I am writing to inform you that a decision has been made to close the Alo Vaka (Auckland Pacific Skills Shift) programme. The Alo Vaka programme was an initiative under the previous government that does not align with the focus of this Government.

First and foremost, I would like to extend my deepest gratitude and appreciation to you for your invaluable contributions to the programme. Throughout the programme's duration, the delivery partners have played a critical role in developing and delivering a range of initiatives to support the economic prosperity of Pacific families, communities and workers.

My officials will be in touch to discuss next steps regarding the process.

Yours sincerely/Nāku noa, nā,

Hon Melissa Lee  
Minister for Economic Development



**DRAFT**

Pacific Business Trust

XX February 2024

Mālō e lelei, Talofa lava, Taloha ni, Kia orana, Fakaalofa lahi atu, Namaste, Ni sa bula,

I am writing to inform you that a decision has been taken to close the Pacific Business Procurement Support Service (PPSS). The PPSS programme was an initiative under the previous government that does not align with the focus of this Government.

I would like to acknowledge all the hard work that has gone into the delivery of the PPSS programme. The Pacific Business Trust has played a critical role in developing and supporting the procurement capabilities of Pacific businesses across the country, to support the economic prosperity of Pacific families, businesses and communities.

My officials will be in touch to discuss next steps regarding the process.

Yours sincerely/Nāku noa, nā,

Hon Melissa Lee  
Minister for Economic Development