

# Regional Economic Development

Weekly Report

22 – 26 October 2018

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**To: Hon Shane Jones**  
Minister for Regional Economic Development

**Fletcher Tabuteau**  
Under-Secretary for Regional Economic Development

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# 1. Dashboard updates

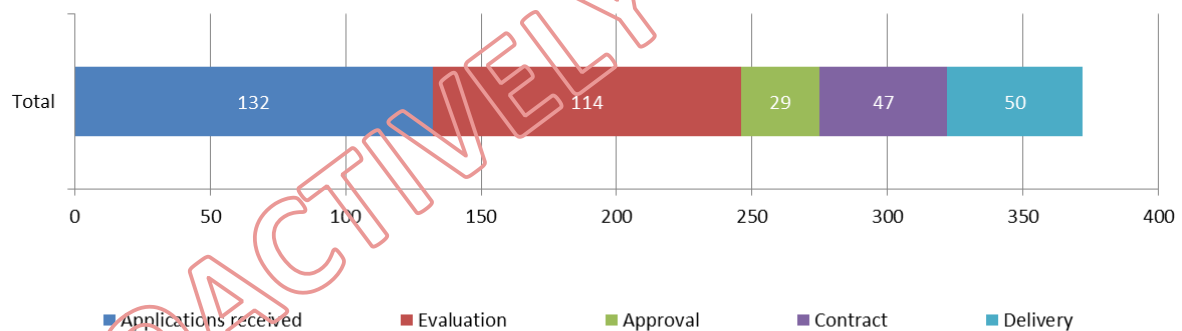
## 1.1 Status of applications

New projects this week	23
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Total number of projects	Expressions of interest (EOI)	Applications
658	286	372

Total funding approved to date	Total funding announced
153 Projects for \$419m	76 Projects for \$337m

## 1.2 Progress of applications as at 23 October



## 2. Regional Updates

### 2.1 Hawkes Bay

#### PipeDrive update

As at 25 October, 56 Hawkes Bay applications and expressions of interest (EOIs) have been lodged in PipeDrive. The status of those applications/EOIs is:

- 17 applications are undergoing assessment
- 13 applications have been approved
- 18 expressions of interest are undergoing assessment.
- 8 applications have been declined.

#### Regional Activity

The region is close to submitting some exciting applications. These include:

- a step-change in the apple and pear industry involving the establishment of new growing areas to satisfy international demand
- supporting the expansion of a Wairoa-based limery which grows and exports limes
- the development of an industrial based food cluster where local and external businesses can co-exist for mutual gain and lower costs.

All of the above proposals involve expanding existing enterprises and have potential to create new jobs, and in most cases bring new businesses to the region.

#### Upcoming Announcements

The Provincial Development Unit (PDU) is focusing on the development of a package for announcements in the first quarter of 2019. Its themes are:

- Training and Employment
- Food and Beverage
- Tourism
- Infrastructure
- Digital Connectivity.

**Contact:** Mark Feary, Senior Advisor, Privacy of natural persons

### 2.2 Canterbury

#### PipeDrive update

As at 25 October, 23 applications from Canterbury have been lodged in PipeDrive. The status of those applications is:

- 12 have been assessed
- 8 have been approved
- 1 has been declined
- 1 is on hold, and
- 1 has been withdrawn.

## Upcoming Announcements

There are no upcoming announcements in the Canterbury region.

## Timaru Port

# Commercial Information

## Opuke Pools

Since 2009, Methven Adventures Ltd (MAL) has been developing a \$15 million project, the Opuke Thermal Pools and Spa Project. MAL is requesting financial support from the PGF which will facilitate project development and assist with securing sufficient third party capital.

PGF support is requested for two components:

- \$2 million grant (invested on an 80/20 basis with private capital)
- \$5.5 million concessionary loan (seven year low-interest loan, repayable early based on Opuke performance).

This will be brought to Ministers for approval in the next Regional Economic Development (RED) briefing.

If PGF funding is secured and the remainder of capital raised, Opuke should be operational by 2020.

**Contact:** Kate Styles, Manager Regional Investment, Privacy of natural persons

## 2.3 Northland

### PipeDrive update

As at 25 October, 108 Northland applications and expressions of Interest (EOIs) are in PipeDrive. The status of those applications/EOIs is:

- 25 applications are undergoing assessment
- 16 expressions of interest are undergoing assessment.
- 5 applications are awaiting decisions.
- 11 applications are awaiting feedback from the applicant or other agencies.
- 29 applications have been approved
- 22 proposals have been declined/unsupported.

### Regional Activity

The region has been undertaking some good work in prioritising the many proposals received in the training and employment (totalling \$38 million) and tourism (totalling \$81 million) sectors. This has helped the PDU to prioritise the assessment of key projects in order to obtain decisions for the upcoming Northland package (see below).

There are a number of projects in the assessment pipeline:

- Two proposals were considered at the Senior Regional Officials (SRO) meeting on 25 October - Ngawha Innovation and Enterprise Park and Camera Obscura. Ngawha Innovation and Enterprise Park was approved.
- A Northland soft berry proposal is currently being assessed by the MPI and PDU.
- An express application from Te Hiku requesting resource for a Project Manager to bring three projects to investment ready is currently under evaluation by MPI and the PDU.
- There are currently two water proposals under consideration in Northland, one in relation to Kaipara and the Mid-North and another for Te Hiku.

### Upcoming Announcements

The PDU is focusing on the development of a package for announcement in early 2019. The package is likely to include projects and programmes in the following areas:

- Training and Employment
- Tourism
- Primary sector
- Manufacturing/Innovation
- Infrastructure and Digital Connectivity.

**Contact:** Paul Swallow, Investment Director, Privacy of natural persons

### 3. Other Updates

#### 3.1 Select Committee Update

The PDU reported to the Economic Development Science and Innovation Committee (the Committee) on the PGF on 25 October 2018.

The Committee asked a broad range of questions including about transparency of funding agreements, funding for the South Island, the SRO model and examples of investments to date by Tier.

The Unit is expecting follow-up questions related to funding that has been dispersed to date.

**Contact:** AJ Millward, General Manager Strategy & Governance, Privacy of natural persons

#### 3.2 Economic Development NZ (EDNZ) Conference

PDU staff attended this year's EDNZ conference. The theme for 2018 was 'Inclusive Growth' and presentations can be found here:

<https://economicdevelopment.org.nz/speakers>

MBIE sponsored the conference - as per previous years - and PGF information, branded signage and collateral were available and on display throughout the two-day conference.

Awareness of the PGF was very high. Many conference attendees were interested in the PGF, with questions and comments covering a wide range of topics - from broad process questions to specific project related ones. It was clear that some people had been frustrated with the process to date, and the length of time some proposals had been in the system; however most people also understood and accepted the challenging task involved in establishing the PDU and PGF processes.

A key theme from one-on-one discussions, conference speakers and at least one award winner, was how regional organisations (not 'Wellington') knew their region best, and that regions should have more say in where the funding is directed. This is not a new theme at EDNZ conferences.

**Contact:** Paul Swallow, Investment Director, Privacy of natural persons

## Appendix 1 – Upcoming Meetings & Events

Meeting / Event	Support
<b>Monday, 29 October 2018</b>	
<b>Tuesday, 30 October 2018</b>	
Meeting with Peter Chrisp, NZTE CE (USEC)	NZTE Providing briefing
<b>Wednesday, 31 October 2018</b>	
RED Budget Bilateral	
<b>Thursday, 1 November 2018</b>	
AUT Co-Starters	Briefing commissioned ( <i>due 29/10</i> )
<b>Friday, 2 November 2018</b>	

### November

- 5 - RED Ministers meeting
- 7 - DEV: West Coast paper
- 16 - Independent Advisory Panel meeting
- 22 - Senior Regional Officials meeting
- 28 – DEV: Hold Co (TBC)
  - Air Connectivity
- 29 - West Coast visit

### December

- 6 - Independent Advisory Panel meeting



## Appendix 2 – Media & Communications Schedule

Media & Communications Schedule			
Date of Event/ Announcement	Activity	Release Due	MBIE Contact
26 Oct	Minister Jones in Kawerau to announce funding from Provincial Growth Fund towards the Putauaki Trust Kawerau Industrial Hub.	PR with Minister's Office	Laura Barnsley
29 Oct	Minister Jones and Minister Sage to announce funding from the Provincial Growth Fun to Land Information New Zealand (LINZ) and regional councils to expand 3D mapping.	PR with Minister's Office	Jarred Griffiths
16 Nov	Minister Jones to announcement package of Provincial Growth Fund investments for Manawatū-Whanganui.	9 Nov	Jarred Griffiths
29 Nov	Prime Minister, Minister Jones and Minister Sage to announce package of Provincial Growth Fund investments for the West Coast.	15 Nov	Laura Barnsley

### Appendix 3 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date delivered
TBC	EDA Principles Paper	USEC	AJ Millward	26 Oct
TBC	Information on the current state of Action Plans	USEC	Isabel Poulson	25 Oct
1474 18-19	Kawerau Announcement Briefing	Minister	Isabel Poulson	26 Oct
1485 18-19	LiDAR Announcement Briefing	Minister	Isabel Poulson	26 Oct

PROACTIVELY RELEASED

## Appendix 4 – Upcoming Cabinet Papers, Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Briefing for follow-up meeting with AUT and Co.Starters	USEC	Isabel Poulson	29 Oct
TBC	Update on PGF Application: Confidential advice to Government	Other	Isabel Poulson	29 Oct
TBC	Taranaki Sawmill PGF Proposal	Other	David van der Zouwe	29 Oct
TBC	Event briefing for Manawatū-Whanganui Provincial Growth Fund announcements	Minister	Isabel Poulson	6 Nov
TBC	Event briefing for West Coast Provincial Growth Fund announcements	Minister	Isabel Poulson	29 Nov

## Appendix 5 – Official Information Act requests

Ministerial OIAs						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
OIA149	Privacy of natural persons	26 Sep 2018	31 Oct 2018	7 Nov 2018	Drafting	Briefings: Climate change meeting, migration, Tairāwhiti PGF announcements
OIA156		9 Oct 2018	21 Nov 2018	28 Nov 2018	Drafting	Copies of: Meeting with Treasury 13 Sep & Meeting re Māori Battalion Museum
OIA151		1 Oct 2018	6 Dec 2018	13 Dec 2018	Consultation	I request a copy of the following documents: Any reports, briefings, related correspondence and communications regarding the Far East Saw Mill in Tairāwhiti
OIA152		1 Oct 2018	22 Nov 2018	29 Nov 2018	Drafting	Copies: Meeting on matter re: ED agencies & Tourism Infrastructure review
OIA153		1 Oct 2018	29 Oct 2018	5 Nov 2018	Consultation	Copies: Progress report on Regional Business Programme & Māori Battalion Museum
OIA160		11 Oct 2018	31 Oct 2018	6 Nov 2018	Drafting	Information relevant to Dunedin Waterfront PGF Application
OIA163		12 Oct 2018	5 Nov 2018	9 Nov 2018	Drafting	Copies of all applications to the Provincial growth Fund from the Kāpiti Coast District Council.
OIA166		16 Oct 2018	6 Nov 2018	12 Nov 2018	Consultation	Copy of Update on PGF Crown Company
OIA167		16 Oct 2018	7 Nov 2018	13 Nov 2018	Consultation	Copy of Status of PGF funding
OIA168		16 Oct 2018	13 Nov 2018	13 Nov 2018	Consultation	Copy of Draft 2017/18 Annual Report, 18 September 2018
OIA170		17 Oct 2018	14 Nov 2018	14 Nov 2018	Scoping	Copy of Update Commercial Advisors Scheme opening Friday 28th Sept 2018

## Ministerial OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
OIA171	Privacy of natural persons	18 Oct 2018	15 Nov 2018	15 Nov 2018	Scoping	Copies re PQ24490: India NZ Business Council Summit & Meeting with Bathurst
OIA172		19 Oct 2018	19 Nov 2018	16 Nov 2018	Scoping	Copy of the following document as referenced in WPQ 25125 (2018): An overview of forestry related PGF projects, 5 October 2018
OIA173		23 Oct 2018	19 Nov 2018	19 Nov 2018	Scoping	Copy of the following document as referenced in the answer to WPQ 25125 (2018): Prime Minister's visit to Matamata, 1 October 2018

PROACTIVELY RELEASED

## Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-0464	Privacy of natural persons	22 Sep 2018	N/A	16 Nov 2018	Consultation	Please provide all records the Ministry has on the Regional Development Funding application for the upgrade of the Russell Wharf
1819-0469		24 Sep 2018	13 Dec 2018	20 Dec 2018	Consultation	All funding applications and advice under Provincial Development Fund 27/08
1819-0488		26 Sep 2018	9 Nov 2018	16 Nov 2018	Consultation	Copy of all material Independent Advisory Panel Provincial Growth produced
1819-0485		26 Sep 2018	13 Dec 2018	20 Dec 2018	Consultation	Request complete list all projects announced Provincial Growth Fund 26 Sep
1819-0275		23 Aug 2018	1 Nov 2018	8 Nov 2018	Consultation	Items relating to funding Waitangi National Trust since November 2017
1819-0296		27 Aug 2018	9 Nov 2018	16 Nov 2018	Drafting	Applications, cases and advice that PDU has received re: fund recipients
1819-0621		18 Oct 2018	9 Nov 2018	16 Nov 2018	Scoping	Documents entitled 'One Page Assessment of Projects'.

## Appendix 6 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ1693	Privacy of natural persons	8 Oct 2018	29 Oct 2018	Commercial Information
SJ1719		8 Oct 2018	29 Oct 2018	Matamata-Piako District Council and Te Aroha funding
SJ1732		11 Oct 2018	8 Nov 2018	Commercial Information

PROACTIVELY RELEASED

## Appendix 7 – Parliamentary Questions

Parliamentary Questions				
Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 26267 (2018)	Hon Paul Goldsmith	19 Oct 2018	26 Oct 2018	Did Minister receive briefing: 'Funding for the development of Northland Rail'?
PQ 26426 (2018) – PQ 26482 (2018)	Hon Paul Goldsmith	23 Oct 2018	29 Oct 2018	Various (32 questions) re: Howard League
PQ 26630 (2018) – PQ 26656 (2018)	Hon Paul Goldsmith	25 Oct 2018	1 Nov 2018	Various (27 questions) re: Mānuka and Kānuka products feasibility study
PQ 26666 (2018) – PQ 26732 (2018)	Hon Paul Goldsmith	25 Oct 2018	1 Nov 2018	Various (31 questions) re: Old Ghost Road and Marlborough Dry Dock Proposal



## Appendix 8 – Documents for proactive release

Documents for Proactive Release				
Tracking Number	Name	Due to Minister's Office	Due for release	Status

PROACTIVELY RELEASED

## Appendix 9 – Documents Released This Week

Documents Released This Week			
Tracking Number	Request	Sent	Published
DOIA 1718-1884	<p><b>Partial release which includes the following information:</b></p> <ul style="list-style-type: none"> <li>○ Briefing - 3286 17-18 Northland Announcements 1 June 2018</li> <li>○ NZTA Twin Coast Discovery Route application</li> <li>○ The Howard League Driver License Initiative application</li> <li>○ 2037 17-18 Recommendations for funding from the Regional Growth Initiative Fund and Provincial Growth Fund – 9 February 2018</li> <li>○ Taranaki Business Cases</li> <li>○ Gisborne Tourism Product Development and Punakaiki Master Plan</li> </ul>	27 September 2018/ongoing	Partial release – full release ongoing