

Regional Economic Development

Weekly Report

29 April – 3 May 2019

To: Hon Shane Jones

Minister for Regional Economic Development

Fletcher Tabureau

Under-Secretary to the Minister for Regional Economic
Development



PROVINCIAL
DEVELOPMENT
UNIT

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1. Dashboard updates

1.1 Status of applications as at 1 May

New projects this week	12
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Total number of projects	Expressions of interest (EOI)	Applications
997	370	627

Total funding approved to date	Total funding announced
255 projects for \$705.852m*	193 projects for \$779.5m

* Note this does not include major sector allocations such as, Whenua Maori, 1BT, Transport.

1.2 Progress of applications and EOI as at 1 May

Stage	Count
EOI / Application received	145
Evaluation	133
Inactive	184
Unsuccessful	286
Approved (pre-contract)	13
Contracting	81
Executed	155
Total	997

* Please note that the graphic has changed to reflect the number of inactive projects (projects either on hold or withdrawn) that were previously captured in the evaluation stage. Note unsupported EOI are now categorised as unsuccessful, resulting in increased numbers. Approved projects also include out of process projects managed by other PGF agencies.

2. Regional Updates

2.1 Te Tau Ihu/ Top of the South

PipeDrive update

As of 1 May 2019, 32 applications and EOI have been lodged in PipeDrive. The status of those applications are:

- 3 are awaiting assessment
- 2 are being assessed
- 4 await further information
- 2 are on hold
- 8 have been approved
- 13 have been unsuccessful - declined, withdrawn or are unsupported.

Regional Activity

Provincial Growth Fund (PGF) announcements for the 2077 Te Tau Ihu Regional Strategy and Ocean Economy were made on 17 April. There was good media attendance at the event. The Under-Secretary was due to make these announcements but was held up in transit, therefore Mark Patterson MP made the announcement.

The Steering Group for the Te Tau Ihu 2077 Strategy met on 30 April and are now in full implementation mode to move their strategy work ahead.

Provincial Development Unit (PDU) officials held meetings with the three mayors in the Te Tau Ihu region, the Nelson Marlborough Institute of Technology (NMIT) and the Regional Advisory Group to discuss regional investment priorities.

On 12 April, the Te Tau Ihu cross-agency team held a meeting to progress an opportunity involving Te Uru Rakau, the Department of Conservation, and the Ministry of Social Development using recently burnt lands in the Tasman district.

A PDU official joined the Port Tarakohe Working Group meeting on 8 April where commercial users of the port outlined their future requirements for the port and surrounding infrastructure services.

The PDU is working with the Cawthron Institute, Nelson Artificial Intelligence Institute, Marlborough Sounds Smart Services Deployment and Port Tarakohe as successful PGF applicants to ensure ongoing monitoring and support is provided to these projects.

On 15 April, the Top of the South Impact Forum meeting proposed that Marlborough be selected as a Refugee Settlement region under New Zealand's increased refugee quota. PDU officials are working closely with Immigration New Zealand officials as they work with the Marlborough community to prepare for the refugees' arrival in early 2020.

Upcoming Announcements

The Marlborough Kaikōura Trail Trust's agreement has now been executed and work is underway to develop the Marlborough to Kaikōura Cycle Trail feasibility study.

Contact: Kate Styles, Manager Regional Development (Central/South) - Privacy of natural persons

2.2 East Coast/ Tairāwhiti

PipeDrive update

As of 1 May 2019, 55 applications and EOI have been lodged in PipeDrive. The status of those applications are:

- 3 are awaiting assessment
- 5 are being assessed
- 5 await further information
- 6 are on hold
- 21 have been approved
- 15 have been unsuccessful - declined, withdrawn or are unsupported

Regional Activity

Tourism Products

Tupapa, the historical interpretations project led by Gisborne District Council, was launched by four iwi in the region (Ngai Tamanuhiri, Rongowhakaata, Te Aitanga a Mahaki and Ngāti Oneone) on 13 April with Hon Kelvin Davis in attendance. The project proposes a heritage trail with 10 markers which follow the inner harbour of the Gisborne Port and share the stories of the first settlers' voyage and arrival in the region.

Tairāwhiti Economic Action Plan Steering Group

Two project proposals are being presented to the Tairāwhiti Economic Action Plan Steering Group this week to seek regional support.

1. The Riverlands application is focused on accelerating horticultural production and developing a permanent workforce. This project is expected to create ^{Comme} permanent jobs.

2. ^{Commercial Information}

Te Ara Mahi and He Poutama Rangatahi

The sustainable Employment (CARE) Forum has been established to oversee the regional development of workforce capacity and capability. The focus is on high priority sectors: forestry, horticulture, tourism and civic infrastructure, with targeted and impactful investment into skills, training and employment to benefit the regional economy.

Matai Lab

This contract is under negotiation and will establish a world class medical imaging research and innovation centre based in Gisborne. The research centre will develop a niche focus on early diagnosis and rehabilitation of Traumatic Brain Injury (TBI).

The Matai Lab plans to provide employment for up to ^{Comme} or more highly skilled employees by 2023; including physicists, applied mathematicians, engineers, computer scientists, and neuroscientists.

This facility will deliver health, social, and economic benefits both to the region and the medical field as a whole.

Tairāwhiti Roads

PDU officials are close to signing the Tairāwhiti roading contract. The execution of this contract will be a major milestone for the region as the largest investment and project in the region. Officials are working to build some media opportunities around this milestone. The Tairāwhiti Roads partnership is being disestablished and will be replaced with a new shared services delivery model from 1 August, led by New Zealand Transport Agency (NZTA).

Leaderbrand

Commercial Information

They submitted a successful application to the PGF to fund the acceleration of their expansion, expected to generate up to ^{Commercial} potential jobs, higher quality employment opportunities, and environmentally sustainable practices. Up to 50% of Leaderbrand's work force is Māori. It works with Māori land owners to lease land and has long-standing relationships with Māori in the region. The contract negotiations are progressing well and PDU officials are working with the CEO and CFO to finalise the contract.

Upcoming Announcements

The Matai Lab group are working with the PDU comms team to organise a launch in June/July

Contact: Nicki Sutherland, Manager Regional Development (North), ^{Privacy of natural persons}

2.3 Southland

PipeDrive update

As of 1 May 2019, 46 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 6 are awaiting assessment
- 4 are being assessed
- 2 await further information
- 1 is on hold
- 13 have been approved
- 20 have been unsuccessful - declined, withdrawn or are unsupported

Regional Activity

Contract negotiations are currently underway for two successful PGF applications; including the Maruawai Precinct Project and the Invercargill Airport upgrade.

Engagement in the region included a meeting with the Milford Opportunities Project Working Group to discuss tourism opportunities in Southland.

Discussions have been held with KiwiRail to progress the Southland/Otago rail study for freight, including logs, to Southport. A variation to the current agreement is required to allow the scope of the project to include freight hub opportunities in Otago.

PDU officials along with Te Puni Kōkiri (TPK) met with Māori land block owners in Southland last week to discuss land conversion to higher value production opportunities.

PDU officials prepared a brief for Minister Parker's visit to Southland on 3-5 May. Minister Parker will be supported during his visit by Robert Pigou, Head of the PDU, on 3 May.

Minister Jones' recent visit to Gore for the announcements of the Hokonui Huanui project and the Maruawai Precinct project has received positive feedback from the community. The audience was packed to capacity in the Eastern Southland Gallery where the Minister made the two announcements. Minister Jones was welcomed with a kapa haka performance from the local community and the event concluded with the haggis ceremony, a local tradition.

PDU officials are currently assessing the application for the Invercargill Inner City Development Project. This application is the outcome of the previously funded feasibility study of Invercargill's inner city and requests funding for physical development opportunities. The application is being prepared within the next month for consideration by Regional Economic Development (RED) Ministers in June.

Upcoming Announcements

There are no upcoming announcements.

Contact: Kate Styles, Manager Regional Development (Central/ South), Privacy of natural persons

Appendix 1 – Upcoming Meetings & Events

Meeting / Event	Support
Monday, 6 May 2019	
Tuesday, 7 May 2019	
Wednesday, 8 May 2019	
MBIE Officials meeting	
Thursday, 9 May 2019	
Friday, 10 May 2019	

May

- 14 USEC Regional visits in Taupo
- 15 Minister Jones Keynote speech at Developing NZ Conference
- 16 USEC attending TPENZ event

Appendix 2 – Media & Communications Schedule

Media & Communications Schedule		
Date of Event/ Announcement	Activity	MBIE Contact
13 May	PDU will hold a media briefing about the Provincial Growth Fund	Jarred Griffiths
W/C 13 May	Employment Minister Willie Jackson will announce three Provincial Growth Fund / He Poutama Rangatahi projects in Kawerau relating to skills, employment and training	Gita Parsot
15 May	USEC regional visit to Taupo and Turangi	Michelle Paki
15 May	Regional Economic Development Minister Shane Jones and Land Information Minister Eugenie Sage will announce Provincial Growth Fund investments in Light Detection and Ranging (LiDAR)	Gita Parsot
24 May	Regional Economic Development Minister Shane Jones to announce Provincial Growth Fund projects in Otago including tourism, construction and sector-related projects	Mark Patterson
May TBC	Painia Wharf – start of construction – photo opportunity	Kate Te Morenga

Appendix 3 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date delivered
3334 18-19	Minister Jones' meeting with Mayor Holdom of New Plymouth	Minister Jones	Nicki Sutherland	29 Apr
3259 18/19	Briefing: Revisiting the Upgrade of Oparara Arches and Access Road Funding Decision	RED Ministers	Kate Styles	29 Apr
3365 18-19	Event Briefing: Minister Parker visit to Southland	Ministers Parker/ Woods/ Jones/ Sage	Kate Styles	30 Apr
Multiple	RED Ministers meeting papers	RED Ministers	David van der Zouwe	1 May

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

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Event Briefing: USEC visit to Taupo and Turangi 14 -15 May	USEC	Nicki Sutherland	10 May
3363 18-19	Event Briefing: Minister Jackson visit to Kawerau, 15 May	Minister Jackson	Stephen Ruddell	10 May
TBC	Event Briefing USEC's attendance at TRENZ on 16 May	USEC	Kate Styles	13 May
TBC	Briefing to the Under-Secretary about EDA work	USEC	Isabel Poulson	17 May
TBC	Event Briefing: Ministers' Parker and Jones meeting with Sir Stephen Tindall of Lanzatech	Ministers Parker and Jones	Isabel Poulson	23 May
TBC	Event Briefing: Minister's attendance at Techleaders Lunch on 5 June	Minister Jones	TBC	31 May
TBC	Aide Memoire: 2019 Central Government and Local Government Forum on Wednesday, 19 June 2019	Minister Jones	Isabel Poulson	12 June
3261 18-19	Briefing: Limery loan approval	Minister Robertson	David van der Zouwe	TBC
3262 18-19	Briefing: Woodspan loan approval	Minister Robertson	David van der Zouwe	TBC
3263 18-19	Briefing: Whakarewarewa Forest loan approval	Minister Robertson	David van der Zouwe	TBC
2869 18-19	Aide Memoire: Engaging third parties to help with project oversight	Minister Jones	AJ Millward	TBC

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
OIA264	Privacy of natural persons	11 Apr	1 May	8 May	Sign-off	<p>Any Status Reports, Briefings or Aide Memoires prepared by MBIE or any crown entity or board it has administration oversight for between 19 December 2018 and 31 January 2019 regarding the respective portfolios and any associated Ministers and Undersecretaries:</p> <ul style="list-style-type: none"> • Regional Economic Development
OIA268		15 Apr	7 May		Consultation	<ul style="list-style-type: none"> • All communications and papers to/from the Minister or his office regarding the Prime Minister's Group of Digital and Media experts • Any briefings, communications or other information prepared for the Minister or his office since 1 February 2019 regarding digital connectivity and respective announcements to 8 April 2019 • Any communications or papers prepared in relation to the Minister's meeting with Hon Grant Robertson and Hon Kris Faafoi on 20 February 2019

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-0275	Privacy of natural persons	23 Aug	1 Nov	15 Feb	Consultation	Items relating to funding Waitangi National Trust since November 2017
1819-1260		25 Feb	5 Apr	12 Apr	Review	I request a copy of all aides memoire, memos, reports, briefings and papers produced by the Provincial Development Unit in the period 1 May 2018 to 31 May 2018 (both dates inclusive.)
1819-1545		24 Apr	16 May	TBC	Scoping	A copy of all advice and communication provided to Ministers regarding the feasibility of the \$950,000 Hiringa Energy hydrogen project being funded through the Provincial Growth Fund. A copy of advice or communication from other government agencies/departments or Treasury held by MBIE regarding the feasibility and risks of the Hiringa Energy hydrogen project in Taranaki.
1819-1543		24 Apr	16 May	TBC	Scoping	The total cost so far of administering the Provincial Growth Fund. Please give a detailed breakdown of what these costs include. -The number of staff allocated to administering the PGF. -Projected cost in the future of administering the PGF. -Please outline which budget these costs are being met from.
1819-1323		06 Mar	19 Apr	26 Apr	Consulting	I request a copy of all aides memoire, memos, reports, briefings and papers produced by the Provincial Development Unit in the period 1 June 2018 to 30 June 2018 (both dates inclusive.)

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1447	Privacy of natural persons	02 Apr	26 Apr	3 May	Consultation	<p>With respect, I request the following information under the terms of the Official Information Act 1982, in relation to the paperwork error in relation to the Provincial Growth Fund. Controller, Auditor-General John Ryan reported the Ministry of Business, Innovation and Employment (MBIE) spent public money outside the authority provided by Parliament. It was granted approval to increase the amount of departmental expenditure to administer the Provincial Growth Fund and incurred expenses accordingly. However, a paperwork error meant that authority to spend could not be granted until the paperwork was corrected. The correction was made, and the creation of a new appropriation category approved, in October 2018. But by that time, some money had already been spent on the basis of the August approval but before the proper authority was in place in October. How much money was spent before the error was discovered - and how much in total? What was the money spent on? What was the nature of paperwork mentioned? Please provide detail around what happened. Who made the error? When was it discovered? Has/ will the money be recovered? I'm also requesting all documents, prepared, sent and received by MBIE, in relation to this error and the spending of public money outside the authority provided by Parliament</p>

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1450	Privacy of natural persons	2 Apr	26 Apr	3 May	Sign-off	<p>I request the applications and related decision papers and advice from the Provincial Growth Fund below</p> <ul style="list-style-type: none"> • Ōpōtiki Mussel Farming and Production Facility - Stage 1 & 2 • Accelerating Aquaculture Development in Whakatohea Rohe Moana • Southland Hatchery and Nursery feasibility (Building a Brighter Future for Aquaculture in Southland) • Marine Farming Association Capability Project (Golden Bay Mussel) Capability Assistance to prepare a proposal to develop a feasibility study and business case for a Golden Bay Mussel Sector Infrastructure and Waste Reduction facility in Tasman, Golden Bay.
1819-1555		29 Apr	17 May	24 May	TBC	<p>I request a copy of all letters and correspondence provided in support of the application by Grey District Council for the Dredging of Greymouth Port Lagoon, which received \$750,000 from the Provincial Growth Fund. I also request a copy of the funding application which should have been included in response to DOIA 1819-0469 and was not.</p>

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1543	Privacy of natural persons	24 Apr	16 May	23 May	Scoping	Under the Official Information Act I would like to request the following: -The total cost so far of administering the Provincial Growth Fund. Please give a detailed breakdown of what these costs include. -The number of staff allocated to administering the PGF. -Projected cost in the future of administering the PGF. -Please outline which budget these costs are being met from.

PROACTIVELY RELEASED

Appendix 6 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2345	Privacy of natural persons	30 Apr	3 May	Roof Tiles factory in Opunake
SJ2343		30 Apr	10 May	Commercial Information Whangarei application for funding
SJ0175		1 May	17 May	PGF and Smart Specialisations

PROACTIVELY RELEASED

Appendix 7 – Parliamentary Questions

Written Parliamentary Questions				
Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 16323 (2019)	Hon Paul Goldsmith	29 Apr	3 May	As of 29 April 2019, how many ex-offenders have obtained a full driver license as a result of the Provincial Growth Fund's \$7.5m grant to the New Zealand Howard League for Penal Reform?
PQ 16324 (2019)	Hon Paul Goldsmith	29 Apr	3 May	As of 29 April 2019, how many ex-offenders have obtained a restricted driver license as a result of the Provincial Growth Fund's \$7.5m grant to the New Zealand Howard League for Penal Reform?
PQ 16331 (2019)	Hon Paul Goldsmith	29 Apr	3 May	As of 29 April 2019, how many ex-offenders have obtained a learner driver license as a result of the Provincial Growth Fund's \$7.5m grant to the New Zealand Howard League for Penal Reform?
PQ 16353 (2019)	Hon Paul Goldsmith	29 Apr	3 May	What reports, briefings, memos, aides memoire, notes and advice, if any, did the Minister receive between 16 April 2019 and 28 April 2019 (both dates inclusive) by title and date?

Oral Parliamentary Questions

From	Date received	Question
Hon Paul Goldsmith	30 Apr	Does he stand by all his statements and actions?
Hon Paul Goldsmith	30 Apr	When he told this House on 11 April that he asked the acting CEO of the New Zealand Transport Agency (NZTA) why his prosecutors were reducing Semenoff Logging's Filipino truck drivers to, in his words, "begin acting as pimps", how did he think that he was not involving himself in the case?
Hon Paul Goldsmith	30 Apr	What parts of the question are untrue?
Hon Paul Goldsmith	30 Apr	Does he think he has a right to query independent prosecutors' methods with the agency's CEO in the middle of a case?
Hon Paul Goldsmith	30 Apr	What advice has he had from the Attorney-General on his actions regarding the Semenoff case?
Hon Paul Goldsmith	30 Apr	Why did the Minister meet Daron Turner, the general manager of Semenoff Logging Ltd, on 12 August 2018, just 11 days after the NZTA briefed Ministers on its intentions to revoke Semenoff Logging Ltd's transport services licence, and what did he say?
Hon Paul Goldsmith	30 Apr	Did he approach the Hon Iain Lees-Galloway in August last year regarding Semenoff Group's application for accredited employer status in his regional development capacity, and if so, what was he asking for?
Mark Patterson MP	30 Apr	What recent announcements has he made regarding the Provincial Growth Fund?
Mark Patterson MP	30 Apr	How will these projects support regional development in Gore and Eastern Southland?
Mark Patterson MP	30 Apr	How else has the Provincial Growth Fund (PGF) supported the people of Southland?

Appendix 8 – Proactive Release

Documents for Proactive Release			
Tracking Number	Name	Due for release	Status
N/A	Senior Regional Official meeting papers	From 11 February 2019	Preparing documents
N/A	Independent Advisory Panel meeting papers	From 11 February 2019	Preparing documents
Multiple	Weekly Reports (1/3, 8/3, 15/3)	From 11 February 2019	Ministerial Consultation
N/A	Cabinet papers <ul style="list-style-type: none"> PGF West Coast Tourism Investment Package DEV Report back 	From 1 February 2019	Ministerial Consultation
N/A	Regional Economic Development meeting papers	From 1 February 2019	Ministerial Consultation
N/A	Waitangi announcements <ul style="list-style-type: none"> Whenua Māori Cabinet paper Event briefing Advice on Kaipara announcements PGF Investment in skills and infrastructure 	From 11 March 2019	Ministerial Consultation

Documents Released This Week		
Tracking Number	Request	Published