



## Frequently Asked Questions

### **What is the Tourism Growth Partnership?**

The Tourism Growth Partnership (TGP) is a partnership established in 2013 between the Crown and the private sector to foster innovation and increase productivity gains for the tourism sector. It provides \$8 million in contestable funding per year through co-investment in projects. Applications for funding are considered by an Independent Panel of Experts drawn from the tourism sector, who make funding recommendations to the Ministry of Business, Innovation and Employment's Chief Executive.

This year, half of the TGP funding will be tagged for projects that have the potential to create tourism-related jobs and grow tourism in the regions through the new TGP Regional Stream. The remaining half of the funding will continue to be invested through the TGP Productivity and Innovation stream.

### **What will the regional funding be used for?**

The government wants all regions to realise their tourism potential, as tourism offers opportunities for jobs and regional growth. The TGP Regional Stream is intended to support projects that will drive regional job growth. We are interested in investing in projects of significance for the local community and region.

Projects must be tourism-related, commercially viable, and have identified co-investment of 50 per cent. However, for the TGP Regional Stream only, if an applicant is genuinely unable to provide 50 per cent co-investment and the project represents good value for money for the Government, then a lower co-investment contribution will be considered.

### **What parts of New Zealand do you mean by 'regions'?**

Priority will be given to projects in regions where job growth is important and there is potential for a more developed tourism sector. We hope to attract proposals from a wide range of communities, outside the main centres, across New Zealand.

### **Can a council apply for funding, for example to build new toilets to cater for tourists?**

Territorial Authorities can apply to the TGP if they have a commercial partnership and meet the other TGP eligibility criteria. There is separate infrastructure funding available through Ministry of Business, Innovation and Employment's Regional Mid-Sized Tourism Facilities Grant Fund, which may be more relevant to Territorial Authorities, for example to build toilets to cater for growing visitor numbers.

### **What will the TGP Productivity and Innovation Stream be used for?**

The objectives for this stream are to promote innovative, commercially viable tourism projects that will lead to new high-value products, improved processes or operations, or getting more value from assets by reducing seasonality. Projects must be tourism-related, commercially viable, and must be able to provide 50 per cent co-investment.



### **Which stream should I apply to?**

That depends on the type of project you will deliver and where you are based. See the Guidelines for Applicants and the Portfolio Statement for more information on each stream.

### **Can I apply for both?**

You cannot apply to both streams for the same project.

### **Do I need an application form?**

Yes. Each stream has a different application form. These are available on the website, along with the Guidelines for Applicants.

### **When can I apply?**

Round Five is currently open. Applications need to be submitted by 4pm, 12 October 2016. Late applications will not be considered.

### **Who will make the decision on my application?**

An Independent Panel of Experts drawn from the Tourism sector will consider all applications and make recommendations on which applications should be funded. Decisions are made by the Ministry of Business, Innovation and Employment's Chief Executive.

### **How long will the process take?**

The exact timing will depend on the number of applications the Panel has to assess. However we expect to make our first decisions before the end of 2016.

### **What's been funded in the past?**

Since the TGP was established in 2013, \$20.7 million has been provided across 28 projects, out of 173 applications. Details of projects are available on the [MBIE website](#).

### **What is the Government's tourism strategy?**

The Government is supporting the tourism sector to reap the benefits of growth while managing the pressures this places on businesses, communities and infrastructure.

The tourism strategy focuses on attracting the right mix of visitors, ensuring visitors have a high quality experience, and supporting regions to respond to and benefit from increasing visitor numbers.

The strategy is available to the public on the [MBIE website](#).



### **What sort of projects will the TGP invest in?**

Funding from the TGP is contestable, meaning proposals are assessed and the strongest proposal(s) in a given round will receive funding.

In the TGP Productivity and Innovation Stream, in order to achieve maximum value for its investment, the Government will be looking to invest in projects that are not only commercially driven, but which will also deliver wider business benefits. These benefits could include demonstrating the value of new processes or ways of working that will help 'break the mould', incentivising wider innovation, and opening up new high-value opportunities that other businesses can exploit.

In the TGP Regional Stream, Government will also be looking to invest in projects which are commercially driven and in areas of New Zealand where job and economic growth is particularly important, as well strong potential for a more developed tourism sector to contribute.

### **What sorts of projects cannot be invested in?**

TGP funding cannot be used for:

- a) Destination marketing<sup>1</sup>
- b) Major events<sup>2</sup>
- c) Business-as-usual activities (eg existing staff costs)
- d) Regulatory or compliance costs incurred by the project, or in the course of commercialising products or services (eg resource consents)
- e) Any work, milestones or projects already completed
- f) The purchase of alcohol

Some projects will have milestones that will contain some of these items as part of a wider body of work. These would still need to be identified and do not exempt you from making an application providing that **no** Crown funding is applied to these milestones.

### **How do I find out if my project is eligible?**

The TGP Guidelines for Applicants will assist you in assessing whether your project is eligible for TGP funding. If after reading this document you are still unsure, you can contact the TGP Secretariat for advice before submitting an application on [tgp@mbie.govt.nz](mailto:tgp@mbie.govt.nz)

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<sup>1</sup> Applications cannot duplicate activities that are undertaken by Tourism New Zealand or Regional Tourism Organisations i.e attendance or costs relating to TRENZ, Kiwilink, International Media Programme etc.

<sup>2</sup> [www.majorevents.govt.nz](http://www.majorevents.govt.nz) contains more information about what a 'major event' is.



**Can I apply to the TGP if my business is currently focussed on domestic visitors?**

Yes, you can apply for TGP funding, but you would need to demonstrate that you are intending to attract an international visitor base.

**How long does the TGP process take?**

It is envisioned that the Chief Executive's contingent decision for funding will occur within ten weeks of a round closing. This may fluctuate if the round is heavily subscribed or national holiday periods (i.e. Christmas) occur during the deliberation process.

**Will incomplete applications be accepted?**

No. Incomplete applications will be rejected.

**Is the information that I provide to MBIE confidential?**

All information collected, including phone calls held, during the TGP process will be held in the strictest confidence.

MBIE is bound by the Official Information Act 1982 (OIA) and subject to other public law obligations. Accordingly, while the information provided by applicants is intended to be held in the strictest confidence, the information that MBIE holds can be requested by third parties and MBIE must provide information as required to do so by law.

More information on this can be found in the TGP Guidance for Applicants.

**Does MBIE undertake due diligence**

At any stage during applying for funding, MBIE may undertake due diligence checks on applicants as needed to meet government requirements. Signing and submitting this proposal form is considered consent to these checks taking place. You may be asked to provide referees, or further evidence supporting your claims.

**Will late applications be accepted?**

No, late proposals will **not** be accepted. All deadline dates are outlined on the [TGP website](#).

**Can I attach appendices?**

Yes, attachments may include feasibility studies, full financials and any other supporting evidence as requested in the proposal form. Applications (including attachments) must not be more than 20MB per application.



**Some of the information about the TGP refers to “high value visitors”. Who are “high value visitors”?**

High value visitors are typically those who generate the greatest returns for New Zealand through higher spending, enabling greater profitability and productivity for New Zealand businesses. They may also have a higher likelihood of generating economic benefits for sectors other than tourism (or tourism may not be the only driver for them to visit New Zealand).

## **Funding**

**How will the funding rounds be notified?**

When a round is opened it will be announced on the MBIE [TGP website](#). The frequency of the rounds may vary but is likely to be twice per year.

Contact the TGP Secretariat on [TGP@mbie.govt.nz](mailto:TGP@mbie.govt.nz) to register your interest to be advised when a funding round will be opened.

**Is there a minimum amount that TGP will invest?**

No, there is no minimum amount that the TGP will co-invest.

**Is there a maximum funding level?**

No, there is no maximum amount that TGP can co-invest. The only constraint is the amount of funding available to the TGP.

The total amount available to TGP at any time is determined by:

- The total amount of money made available by the Crown
- The amount of TGP funding already committed (TGP is contestable)
- The amount required to run the TGP.

**What form can my co-investment take?**

In the majority of cases, contributions from co-investors must be in cash and equal to or greater than the TGP investment. Successful proposals will be a joint investment between the Crown and industry.

Contributions from Crown sources, including research institutes and tertiary education institutions, cannot be included as part of the qualifying co-investment.



## **Submissions Process**

### **How is my proposal assessed?**

There are two elements to the assessment of proposals:

- Eligibility – MBIE must be satisfied that the proposal meets ALL eligibility criteria. If the proposal is deemed ineligible it will not be progressed to full assessment.
- Assessment – the Panel will assess the proposal against the assessment criteria detailed in the Guidelines for Applicants.

When making this decision, the Panel will take into account:

- how well your proposal performed against the assessment criteria, its merit
- how well your proposal performed compared to other proposals submitted
- the amount of funds available

### **What are the eligibility and assessment criteria?**

The eligibility and assessment criteria for both streams are detailed in the Guidelines for Applicants.

### **What if I do not agree with the decision?**

As the TGP is a contestable fund, there will be times that although the proposal may be strong, other proposals may be stronger. Some projects may not receive funding support if the fund is over-subscribed. Other projects may not have met all the funding criteria.

Regardless of the decision you will be given feedback by the Secretariat.

### **What do you mean by the Chief Executive's 'Contingent Decision'?**

The Chief Executive of MBIE is the decision-maker for TGP funding. The Chief Executive will make a contingent decision which will be communicated to the applicant. This contingent decision will include an outline of what will be required to be provided in the business plan before a contract will be signed with the applicant. These requirements will need to be met during the next process stage (business plan).

This change has been designed to get quicker decision making and reduce the amount of time applicants spend on their applications without knowing whether they are likely to receive funding or not.

### **Can I withdraw from the process?**

Yes, at any stage. Contact the Secretariat in writing at [TGP@mbie.govt](mailto:TGP@mbie.govt) and let them know your intent. Any funds held in reserve for you will be released.



### Can I change my project once it has been approved?

Minor alterations may be able to be accommodated; however, significant changes or additions will require a new application.

### Will results and outcomes be made public?

MBIE will make public all TGP co-investments, including who the co-investors are, the amounts invested and a brief description of each programme, upon the completion of the approval and successful contracting.

## Milestones

### What is a milestone?

A milestone is a list of critical steps for the project that will form the basis of an agreement with government if funded. Each milestone needs to have a high level description (Project Task) and if necessary grouping, then a key performance indicator of what activity will occur. The ministry will only pay up to 50% of any given milestone, which may not necessarily be 50% of the total project cost.

An example of the milestone template is below. Please note that this will be more detailed as a project moves to the business plan and contracting stages.

#	Project Task	Key Performance Indicator	Start Date	End Date	Total Cost	Maximum Ministry (TGP) Contribution	Co-Funding (YOUR CASH) Contribution
<b>Milestone 1: Business Planning</b>			<b>Jan 2016</b>	<b>Mar 2016</b>	<b>\$30,000</b>	<b>\$0</b>	<b>\$30,000</b>
1a	Business Planning	Business Plan Development	Jan 2016	Sep 2016	\$10,000	\$0	\$10,000
1b	Business Planning	Resource Consent	Sep 2016	Dec 2016	\$20,000	\$0	\$20,000
<b>Milestone 2: Marketing</b>			<b>Oct 2016</b>	<b>Jun 2017</b>	<b>\$15,000</b>	<b>\$2,500</b>	<b>\$12,500</b>
2a	Marketing	2000 colour brochures printed in mandarin	Jan 2017	Feb 2017	\$2,000	\$1,000	\$1,000
2b	Marketing	Website development	Feb 2017	Jun 2017	\$3,000	\$1,500	\$1,500
2c	TRENZ 2017	Booth costs for TRENZ 2017	Oct 2016	May 2017	\$10,000	\$0	\$10,000



Milestone 3: Project X			Jan 2017	June 2018	\$550,000	\$275,000	\$275,000
3a	Project x	Construction (as per the design estimates)	Jan 2017	Dec 2017	\$350,000	\$175,000	\$175,000
3b	Project x	Fit out	Jan 2018	June 2018	\$150,000	\$75,000	\$75,000
3c	Project x	Landscaping	Mar 2018	June 2018	\$50,000	\$25,000	\$25,000
<b>TOTAL PROJECT</b>			<b>Jan 2016</b>	<b>Jun 2017</b>	<b>\$595,000</b>	<b>\$277,500</b>	<b>\$307,500</b>

Note that milestones 1a, 1b and 2c form part of the larger project but are not eligible for TGP funding.

## People

### What is the role of the Secretariat?

The Secretariat is employed within MBIE to administer the TGP and assist the Panel. They should be your first point of contact for any questions or help you need with TGP.

They will:

- help with information on dates, deadlines, meetings
- help with information on the requirements and process for completing and submitting proposals and business plans
- put you in touch with additional people to help answer any specialist questions you have
- act as a central coordination and communication point for all your dealings about TGP.

### Further information

Please email [TGP@mbie.govt.nz](mailto:TGP@mbie.govt.nz)