



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI



Regional Economic Development Weekly Report

Week ending:	9 February 2018	Priority:	Medium
Security classification:	In Confidence	Tracking number:	1983 17-18

Recipient	Action sought
Hon Shane Jones Minister for Regional Economic Development	Note the contents of this Weekly Report
Fletcher Tabuteau Parliamentary Under-Secretary to the Minister for Regional Development	Note the contents of this Weekly Report

Stephanie Weller
**RED Implementation Manager
Labour, Science and Enterprise**

9/02/2018

Hon Shane Jones
Minister for Regional Economic Development

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Minister's comments:

Regional Economic Development Weekly Report

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Updates

Maori Battalion Museum - Waitangi

MBIE has contracted with Waitangi Ltd to undertake stage one planning of the Museum, and to assist with preparing a business case for stage two investment. Waitangi Ltd is supportive of the two stage approach to fully inform the Trust of options, costs and business models.

Officials will be meeting with Greg McManus, CEO of Waitangi Ltd and project manager Privacy of natural persons on 22 February to scope the required information to advise the business case.

Waitangi Ltd will procure an independent consultant to undertake stage one planning. The business case is anticipated to be completed by April 2018.

Contact Person:
Mark Patterson
04 916 6064

Commercial Information - Withdrawn Application

[Redacted]
[Redacted]

[Redacted]
[Redacted]
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[Redacted]
[Redacted]

[Redacted]
[Redacted]

[Redacted]
[Redacted]
[Redacted]

Kawerau Container Terminal – Report Findings

The Kawerau Container Terminal opportunity was added to the Toi Moana Bay of Plenty Action Plan in 2016. SCION has completed the updated research and freight logistics modelling to include the Fenglin particle board plant which was announced mid-2017. This research will help Industrial Symbiosis Kawerau (ISK) to determine the viability of the Container Terminal. The updated report will be released shortly, the key findings include:

- 78% of containers would be better off on rail under all the scenarios travelling to the Port of Tauranga.
- A service to Auckland is not currently viable under this modelling; however, could be an option should the demand increase in future. The extension project modelled the Auckland service via the Horitiu development (Northgate). A Port of Tauranga service is preferable from an economic and environmental perspective.

- Using the container terminal and train from Kawerau could save \$[Commercial Information] per container on average for the *Most Likely Case* ([Commercial Information] exporters at approximately [Commercial Inform] containers per year; using the [Commercial Information] scenario).
- The economic impact for the Most Likely Case would equate to an approximate saving of \$[Commer] million per year (previously estimated at \$[Commercia] m - \$[Commercia] m per year) plus environmental and social benefits. The savings would likely be redirected to growing their businesses and increasing incomes and jobs.
- The social impact for the Most Likely Case would reduce approximately 70,000 return heavy vehicles movements annually (approximately 200 trucks a day) from SH2 improving road safety for a busy tourist route and eliminate more than 8 million kilometres of heavy vehicle travel thereby, reducing highway maintenance costs. The previous estimate was 35,000 heavy vehicles movements annually (more than eighty trucks a day).
- The environmental impact for the Most Likely Case would reduce CO² emissions by as much as 25,000 tons per annum. The previous estimate was five to six thousand tons per annum.
- The research suggests that the container terminal as a business in itself generates viable returns. However, the capital costs to develop the infrastructure need to be considered in addition to these results.
- ISK are investigating options for establishing a business to operate the container terminal and securing the expected \$[Commercial Inf] million for the phased establishment costs.

MBIE contributed \$27,750 to the \$[Commercial Inform] research project.

Following the presentation to Minister Jones in December, the Bay of Connections and Central Government are working with ISK to progress the six actions they need help with. To recap, ISK are seeking support for the following:

No#	Key Actions
1	The Rail Sidings For The Container Terminal
2	The Roding Infrastructure Necessary for the Development of Putauaki Trust's Industrial Area
3	The Off-Road Highway – [Commercial Information] - Putauaki Trust Industrial Area
4	Kawerau Pathways To Work Plan – Resources Needed To Implement The Plan
5	[Commercial Information]
6	Support In Resolving The Rail Capacity Issues At The Port

Any further investment will be co-funded through a number of stakeholders and a business case is expected to be developed by ISK as a package for the Rail siding/Roding (no1-3).

Contact Person:
Stuart Taylor
[Privacy of]

Media and Communications Schedule

Timing	Events and Announcements	Proposed activity
23 Feb 18	Launch of Provincial Growth Fund	Your office will be provided with communications material
19 Mar 18 – TBC	Opotiki Harbour Development project announcement	Your office will be provided with communications material
22 or 23 March 2018 - TBC	Taranaki Economic Action Plan launch	Your office will be provided with communications material
June 18 - TBC	Waikato Regional Economic Development Action Plan launch	Your office will be provided with communications material

Upcoming Regional Visits

Timing	Region	Proposed activity
February	West Coast	TBC
March	Taranaki	TBC – Launch of the Economic Action Plan

Upcoming Briefings

Due Ministers Office	Title	Sign Out Manager
8 Feb 18	1758 17-18 Regional Growth Programme – Government response to the Taranaki Economic Action Plan	Stephanie Weller
9 Feb 18	2037 17-18 Recommendations for funding from the Regional Growth Initiative Fund and Provincial Growth Fund	John Doorbar
12 Feb 18	1984 17- 18 Taranaki Economic Actions Plan – Proposals for consideration	Stephanie Weller
14 Feb 18	Commercial Information [Redacted]	Stephanie Weller
15 Feb 18	2046 17-18 Meeting with Oceanagold Chair [Redacted] and CEO [Redacted] on Monday 19 February 2018	Stephanie Weller
16 Feb 18	Meeting with [Redacted] from TIA	Stephanie Weller

Ministerial Correspondence

Requestor's Name	Tracking number and Request	Due to Minister	Sign Out Manager
[Redacted]	SJ347	12Feb 18	Stephanie Weller
[Redacted]	SJ231	12 Feb 18	Stephanie Weller
[Redacted]	SJ476	15 Feb 18	Stephanie Weller
[Redacted]	SJ419	16 Feb 18	Stephanie Weller
[Redacted]	SJ567	16 Feb 18	Stephanie Weller

Ministerial Official Information Act Requests

Requestor's Name	Tracking number and Request	Due to Minister	Due to Requestor	Status	Sign Out Manager
Privacy of [redacted]	SJ-OIA23 Information regarding list of papers received since 26 Oct 17	14 Feb 18		Scoping	John Doorbar
Privacy of [redacted]	SJ OIA13 Request for copies of briefings, reports, memos, aide memoires	12 Feb 18		Response being formed	Iain Southall
Privacy of [redacted]	SJ-OIA24 List of appointments made in your capacity as Minister for Regional Economic Development since 26 October 2017	21 Feb 18		Response being formed	John Doorbar