MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

COVERSHEET

Minister	Hon Shane Jones	**Portfolio**	Minister for Regional Development
Title of Cabinet paper	Regional Infrastructure Fund: progressing Fast-Track Consenting for the Northland Shipyard and Dry Dock Project	**Date to be published**	21 September 2026

List of documents that have been proactively released		
Date	**Title**	**Author**
August 2026	Regional Infrastructure Fund: progressing Fast-Track Consenting for the Northland Shipyard and Dry Dock Project	Office of the Minister for Regional Development
5 August 2026	Regional Infrastructure Fund: progressing Fast-Track Consenting for the Northland Shipyard and Dry Dock Project ECO-26-MIN-0144 Minute	Cabinet Office

Information redacted **YES** / **NO** *(please select)*

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Some information has been withheld for the reasons of Commercial Information.

In-Confidence

Office of the Minister for Regional Development

Regional Infrastructure Fund: Progressing Fast-track Consenting for the Northland Shipyard and Dry Dock Project

Proposal

1 On behalf of the Regional Development Ministerial Group (RDMG)[1], this paper updates Cabinet on progress made on the Northland Shipyard and Dry Dock Project since Cabinet's last consideration of the project in May 2025. It seeks agreement to drawdown up to $Commercial Info million from the Regional Infrastructure Fund (RIF) to support completion, lodgement and progression of an application under the Fast-track Approvals Act 2024 (FTAA). The proposed drawdown is from the existing $100.000 million previously ringfenced by Cabinet for the project.

2 The proposed funding would support the technical, environmental, planning, consultation and application preparation work required to progress the FTAA consenting process.

Relation to government priorities

3 Progressing work on a dry dock and maritime maintenance facility at Marsden Point, including investigating funding options and commercial partnerships, is a commitment under the New Zealand National Party and New Zealand First 2024 coalition agreement.

4 The proposal supports the Government's *Going for Growth* approach by preserving the option of a nationally significant infrastructure project that could strengthen New Zealand's maritime capability and support economic growth.

Executive Summary

5 A dry dock and maritime maintenance facility at Northport is a nationally significant opportunity to strengthen New Zealand's maritime capability, support regional economic development, and improve resilience in coastal shipping and naval operations.

6 Recognising this, in May 2025, Cabinet agreed to ringfence up to $100.000 million from the RIF to progress the project, Commercial Information Commercial Information

7 Since that decision, Kānoa has progressed market engagement, procurement activities and preliminary design work. This has helped to clarify how the project could be delivered, the capability available in the market, likely project costs, and the work required before final investment decisions can be made.

[1] RDMG is comprised of the Ministers of/for Finance, Infrastructure, Local Government, Māori Development, and Regional Development.

8 Having considered the immediate next steps required to progress the project, I am now seeking a more targeted drawdown focused solely on progressing the FTAA consenting pathway. While a broader package of development activities was previously contemplated, progressing the consenting process is a discrete and necessary step that can be undertaken ahead of any future decisions on the project.

9 Before any decision can be made on whether to proceed with the project, planning and environmental approvals are required. Delays in progressing the FTAA process would slow the wider project and postpone future investment decisions.

10 I am therefore seeking Cabinet agreement to drawdown up to $Commercial Info million from the existing ringfenced RIF allocation to support completion, lodgement and progression of an application under the FTAA.

11 Kānoa has funded early project development and consenting work from departmental baselines. However, the remaining consenting programme exceeds available departmental funding and is more appropriately funded from the existing RIF allocation ringfenced by Cabinet for development of the project.

12 Progressing the FTAA application would not commit the Crown to construction of the dry dock or any future investment decision. Instead, it would provide greater certainty about whether the project can proceed while preserving Cabinet's ability to make future investment decisions.

13 If approved by Cabinet, I expect the FTAA consenting process to conclude between March and May 2027 and intend to report back to Cabinet by June 2027 with advice on the consenting outcome, project feasibility, delivery arrangements and next steps.

Background

14 On 20 May 2024, Cabinet agreed to establish the RIF, a fund with the primary purpose of accelerating infrastructure projects that will make a material difference in our regions.

15 It was agreed that Cabinet would make RIF investment decisions on all grant, loan, and equity investments over $35.000 million, or any projects deemed high-risk by officials and Crown Regional Holdings Limited [CAB-24-MIN-0168.02].

16 A dry dock and maritime maintenance facility at Northport is a nationally significant opportunity to strengthen New Zealand's maritime capability, support regional economic development, and improve resilience in coastal shipping and naval operations.

17 Recognising this, in May 2025, Cabinet agreed to ringfence up to $100.000 million from the RIF to progress the project, Commercial Information
Commercial Information

Kānoa assumed responsibility for the project in 2024 following completion of a business case by the Ministry of Transport

18 In 2024, prior to Cabinet's decision to ringfence funding for the project, Kānoa assumed responsibility for progressing the Northland Shipyard and Dry Dock Project following earlier work led by the Ministry of Transport. The Ministry of Transport business case identified Northport as the preferred location for a dry dock and maritime maintenance facility and highlighted the potential strategic, economic and maritime resilience benefits associated with the project.

19 While previous Ministry of Transport work established the strategic case for a dry dock, Kānoa's role has been to test whether the project could be developed into a viable and deliverable investment proposition. Kānoa established a dedicated project team with technical, commercial and maritime expertise.

Market engagement tested whether the project could be commercially delivered

20 Commercial Information [redacted]. Given the scale, complexity and strategic importance of the project, and supported by independent legal advice, Kānoa determined that a competitive market process was required to ensure fairness, transparency and value for money.

21 On this advice, Kānoa undertook a staged market engagement process to assess market capability, identify potential delivery partners, understand investor appetite and test whether the project could be delivered on acceptable commercial terms.

22 Key milestones since Kānoa assumed responsibility for the project include:

22.1 release of a Request for Information (RFI) August 2024 to understand market interest;

22.2 release of a Registration of Interest (ROI) March 2025 to determine capability to deliver the project and determine the next steps for a market approach;

22.3 Cabinet's decision in May 2025 to ringfence up to $100.000 million from the RIF to support development of the project;

22.4 release of a Request for Proposal (RFP) in June 2025 for a design, build and operate solution, followed by interactive sessions with shortlisted respondents;

22.5 a refinement phase from August to October 2025 to test delivery options, project risks and the scope required to support a viable project;

22.6 between late 2025 and mid-2026, Kānoa Commercial Information progressed the work required to prepare a FTAA application.

Market engagement identified matters that need to be resolved before final investment decisions

23 Following strong market interest via the ROI process, Kānoa progressed an RFP process with a smaller number of parties that had demonstrated relevant capability and experience. The RFP sought an integrated design, build, operate and maintain solution to test whether a delivery partner could assume responsibility for developing and operating the facility.

24 Through detailed discussions with preferred respondents, Kānoa gained a better understanding of the challenges associated with delivering the project. Market engagement confirmed that Commercial Information

25 This process demonstrated that it would be premature to proceed directly to a final delivery arrangement. Commercial Information

26 Instead, Kānoa has adjusted the project pathway to focus on reducing key project risks and preserving future investment options. Market engagement identified three areas that will need to be resolved before any final investment decision can be made:

26.1 Commercial Information

26.2 Commercial Information

26.3 **consenting certainty:** planning and environmental approvals are needed to confirm whether the project can proceed, what conditions or constraints may apply, and whether consenting risks materially affect project scope, cost or feasibility.

27 Together, these workstreams form the project's broader development programme. While progressing the consenting pathway is the immediate priority, the matters identified through market engagement will require further consideration before any final investment decision can be made, including

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The immediate next step is to progress the FTAA consenting pathway

28 Kānoa is prioritising the consenting pathway because it is a critical enabler of the wider project. Obtaining planning and environmental approvals will provide greater certainty about project requirements, environmental constraints, likely consent conditions and delivery risks, while also providing greater confidence to potential investors and delivery partners that the project can proceed.

29 Kānoa has worked closely with Northport to provide technical and operational input into the development of the project and the consenting process. Kānoa is also supported by Crown Infrastructure Delivery, which provides specialist project delivery expertise.

30 The FTAA process requires a comprehensive package of technical, environmental, planning and specialist assessments before an application can be lodged. It also requires engagement with iwi and hapū, local councils and other interested parties. Initial engagement has commenced, including with Patuharakeke, Ngātiwai and Te Parawhau.

31 Kānoa has funded initial project development and early consenting activity from departmental baselines to maintain momentum and progress the technical evidence required to support an application.

32 However, significant specialist input is still required to finalise application material, support lodgement, respond to expert panel requirements and progress the application through to a decision. The scale of the remaining consenting programme exceeds available departmental funding.

33 I am therefore seeking Cabinet agreement to drawdown up to $Commercial Info million from the existing $100.000 million RIF allocation ringfenced for the project. This is a narrower and more targeted proposal than earlier development options considered for the project.

34 The funding would support the technical, environmental, planning, consultation and advisory work required to lodge and progress the FTAA application through to a decision. Without this funding, Kānoa's ability to progress the application would be significantly constrained, resulting in delays to the consenting process and Commercial Information

35 Importantly, progressing the FTAA process would not commit the Crown to construction of the project or any future investment decision. Rather, it would preserve future options by obtaining information necessary to inform future Cabinet decisions.

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[2] Commercial Information

Risks and implications

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37 Commercial Information However, obtaining this information is an intended outcome of the proposed work and would enable future investment decisions to be made on a more informed basis.

Next steps and Cabinet report-back

38 Subject to Cabinet approval, Kānoa will continue progressing the FTAA consenting pathway, including the technical, environmental, planning and specialist advisory work required to support lodgement and progress the application through the consenting process.

39 Subject to Cabinet approval to drawdown funding, I expect the consenting process to conclude between March and May 2027. I intend to report back to Cabinet by June 2027 with advice on the consenting outcome, the project's feasibility, and recommendations on the project's next steps.

Links to other important regional projects at Marsden Point

40 At the previous Cabinet update in May 2025, Cabinet invited me to report back on the project's alignment with other infrastructure and development initiatives in the region. This section responds to that request.

41 The dry dock project sits within a broader infrastructure system at Marsden Point, which has undergone significant transition following the closure of the refinery in 2022. The site is being repositioned as a nationally significant energy and logistics hub, with ongoing investment in fuel import and storage infrastructure, strategic fuel resilience, and other industrial development opportunities.

42 In parallel, there is ongoing work to improve transport connectivity to the area, including the proposed Marsden Point Rail Link, a 19-kilometre connection between Northport and the North Auckland Line. The project has progressed through detailed business case and design stages, with land acquisition and geotechnical investigations largely advanced, and is currently being taken forward through a competitive procurement process, with shortlisted consortia developing delivery options.

43 In addition to the proposed Marsden Point Rail Link, road connectivity in Northland is also improving. Progress is being made on the Warkworth to Te Hana motorway, with the New Zealand Transport Agency (NZTA) currently in PPP negotiations with a consortium led by Acciona. This project is further advanced than the rail spur and is likely to be of practical utility to the

operation of a dry dock by improving road access and freight connectivity between Marsden Point, Auckland and the upper North Island.

44 Together, these initiatives highlight Marsden Point's role as an increasingly important infrastructure and logistics hub. The dry dock project is expected to complement these investments by strengthening New Zealand's maritime and marine engineering capability.

Cost of Living Implications

45 There are no cost-of-living implications as part of this proposal.

Financial Implications

46 Cabinet previously agreed to ringfence up to $100.000 million from the RIF to support development of the Northland Shipyard and Dry Dock Project. This proposal seeks approval to drawdown up to $Commercial Info million from that existing allocation to support preparation and lodgement of an application under the FTAA. No additional funding is sought. Following this drawdown, up to $Commercial Informa million would remain available for any future stages of the project, subject to further Cabinet decisions.

47 The proposed departmental expenditure relates to planning, environmental, technical, legal and advisory activities associated with the consenting process. As this expenditure is operating in nature rather than capital, the funding will need to be transferred from the existing RIF MCA capital expenditure appropriation to a departmental operating expenditure appropriation.

48 Subject to Cabinet agreeing to the drawdown, I intend to exercise my delegated authority through a Joint Minister's briefing with the Minister of Finance to approve the transfer of funding from capital expenditure to departmental operating expenditure and to establish or amend the necessary appropriation within Vote Business, Science and Innovation. MBIE will administer this funding.

Legislative Implications

49 This proposal contains no legislative implications, and a Regulatory Impact Statement is not required.

Population and Human Rights Implications

50 This proposal contains no population or human rights implications.

Consultation

51 The following departments were consulted: the Treasury, the Ministry of Cities, Environment, Regions and Transport, Te Puni Kōkiri, the Department of Prime Minister and Cabinet, the New Zealand Defence Force, the Ministry of Defence, the Ministry of Business, Innovation and Employment (Energy),

the Ministry of Foreign Affairs and Trade, and the Ministry for Primary Industries.

Communications

52 Following Cabinet decisions, I intend to make a public announcement about progress on the Northport dry dock project.

Proactive Release

53 I intend to release this Cabinet paper and associated minutes within 30 days of an announcement being made publicly. Information that might impact on ongoing commercial negotiations or sensitivities will be redacted.

Recommendations

The Minister for Regional Development recommends the Committee:

1 **note** it was agreed that Cabinet would make Regional Infrastructure Fund (RIF) investment decisions on all grant, loan, and equity investments over $35.000 million, or any projects deemed high-risk by officials and Crown Regional Holdings Limited [CAB-24-MIN-0168.02];

2 **note** Cabinet agreed in May 2025 to ringfence up to $100.000 million from the RIF to support the development of a dry dock at Northport [CAB-25-MIN-0151];

3 **note** the progress made on the project since Kānoa assumed responsibility, including market engagement, procurement, technical and commercial work, and refinement of the delivery approach;

4 **note** that the project delivery model has been adjusted to now progress under a Crown-led development pathway, with potential for third-party investment;

5 **note** that obtaining planning and environmental approvals is a critical prerequisite to any future investment decision on the project;

6 **approve** the drawdown of up to $Commercial Info million from the existing RIF ringfenced allocation for the Northport dry dock to support completion, lodgement and progression of an application under the Fast-track Approvals Act 2024 (FTAA);

7 **note** that progressing the FTAA application does not commit the Crown to construction of the project or any future investment decision;

8 **note** that if Cabinet agrees to the $Commercial Info million drawdown, Kānoa will seek joint approval from the Minister of Finance and Minister for Regional Development to transfer the funding from the existing RIF MCA capital appropriation to departmental operating expenditure;

9 **note** that the Minister for Regional Development will report back to Cabinet following completion of the FTAA process with advice on the outcome of the consenting pathway, implications for the project, and recommended next steps.

Authorised for lodgement

Hon Shane Jones

Minister for Regional Development

Cabinet Economic Policy Committee

Minute of Decision

Regional Infrastructure Fund: Progressing Fast-track Consenting for the Northland Shipyard and Dry Dock Project

Portfolio **Regional Development**

On 5 August 2026, the Cabinet Economic Policy Committee (ECO):

1 **noted** that in May 2024, Cabinet agreed that it would make Regional Infrastructure Fund (RIF) investment decisions on all grant, loan, and equity investments over $35.000 million, or any projects deemed high-risk by officials and Crown Regional Holdings Limited [CAB-24-MIN-0168.02];

2 **noted** that in May 2025, ECO agreed to ringfence up to $100.000 million from the RIF to support the development of a dry dock at Northport (the project) [ECO-25-MIN-00061];

3 **noted** the progress made on the project since Kānoa assumed responsibility, including market engagement, procurement, technical and commercial work, and refinement of the delivery approach;

4 **noted** that the project delivery model has been adjusted to now progress under a Crown-led development pathway, with potential for third-party investment;

5 **noted** that obtaining planning and environmental approvals is a critical prerequisite to any future investment decision on the project;

6 **approved** the drawdown of up to $Commercial In million from the existing RIF ringfenced allocation for the Northport dry dock to support the completion, lodgement and progression of an application under the Fast-track Approvals Act 2024 (FTAA);

7 **noted** that progressing the FTAA application does not commit the Crown to construction of the project or any future investment decision;

8 **noted** that Kānoa will seek joint approval from the Minister of Finance and Minister for Regional Development to transfer the funding from the existing RIF multi-category capital appropriation to departmental operating expenditure;

9 **noted** that the Minister for Regional Development will report back to Cabinet following completion of the FTAA process with advice on the outcome of the consenting pathway, implications for the project, and recommended next steps.

Rachel Clarke
Committee Secretary

Present: (see over)

Present:
Rt Hon Winston Peters
Hon Nicola Willis (Chair)
Hon Chris Bishop
Hon Shane Jones
Hon Paul Goldsmith
Hon Louise Upston
Hon Tama Potaka
Hon Chris Penk
Hon Penny Simmonds
Hon Nicola Grigg
Hon Andrew Hoggard
Hon Mark Patterson
Hon James Meager
Hon Scott Simpson
Hon Cameron Brewer
Hon Mike Butterick
Simon Court MP

Officials present from:
Officials Committee for ECO