



Minister for Regional Development

Regional Development Portfolio

Vote Business, Science and Innovation

Report in relation to selected non-departmental appropriations for the year ended 30 June 2026

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Foreword

Ministers are responsible for reporting the financial and non-financial performance of non-departmental appropriations to Parliament. This report provides information about the year-end performance results of non-departmental appropriations that have not been included in any other reports to Parliament. This report provides the 1 July 2025–30 June 2026 results of the relevant non-departmental appropriations for the Regional Development portfolio within Vote Business, Science and Innovation.

The relevant appropriations are:

Non-Departmental Capital Expenditure

- Regional Development: Capital Acquisition of the Waimea Loans and subsequent investments
- Regional Development: Investment in Crown-owned Companies and their subsidiaries for the Wood Processing Growth Fund



Hon Shane Jones

Minister for Regional Development

Statements of Performance

Non-Departmental Capital Expenditure

Regional Development: Capital Acquisition of the Waimea Loans and subsequent investments

Scope of Appropriation

This appropriation is limited to the acquisition of the Waimea loans from Crown Irrigation Investments Limited and the subsequent investment in Crown owned companies and their subsidiaries.

Intention Statement

This appropriation is intended to achieve the acquisition of the Waimea loans from Crown Irrigation Investments Limited (CIIL) and the subsequent capital investment in Crown-owned companies and their subsidiaries to support the orderly wind-up of CIIL and its integration into the Kānoa – Regional Economic Development & Investment Unit (Kānoa) portfolio for ongoing monitoring and management.

Assessment of Performance

Non-Financial

Performance Measure	2024/25 Actual Result	2025/26 Budget Standard	2025/26 Actual Result
Waimea loan contracts are acquired and incorporated into the Kānoa funding portfolio and are subject to existing monitoring and management arrangements	New measure	Achieved	Not applicable

Comment

This appropriation was established to support the acquisition of the Waimea loans from CIIL and the subsequent investment in Crown-owned companies and their subsidiaries.

Financial due diligence on the fair value calculation of the loans and preparation of the necessary transfer documentation has been more complex than originally anticipated, and the transfer is now expected to take place in Q1 2026/27. Therefore, the loan contracts were not yet incorporated in the year ended 30 June 2026.

Financial

Expenses (\$000)	2024/25 Actual	2024/25 Estimates	2025/26 Supplementary Estimates	2025/26 Actual
Total Appropriation	-	-	66,952	-

Comment

This appropriation increased to \$66.952 million for 2025/26 for the acquisition of the Waimea loans from CILL and the subsequent investment in Crown-owned companies and their subsidiaries.

The total amount of \$66.952 million has been requested for transfer from 2025/26 to 2026/27 as part of the 2026 Pre-Election Baseline Update submission.

Non-Departmental Capital Expenditure

Regional Development: Investment in Crown-owned Companies and their subsidiaries for the Wood Processing Growth Fund

Scope of Appropriation

This appropriation is limited to investments in Crown-owned companies and their subsidiaries for the Wood Processing Growth Fund, to catalyse and accelerate investments from the private sector into new long-lived wood processing.

Intention Statement

This appropriation is intended to achieve support for the forestry and wood processing industry to transform for the future by catalysing and accelerating increased investment from the private sector into new long-lived wood product processing, resulting in greater capacity, improved business viability of wood processors, and supporting the transition to a low-carbon future.

Assessment of Performance

Non-Financial

Performance Measure	2024/25 Actual Result	2025/26 Budget Standard	2025/26 Actual Result
The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes	4.3	Average score of 4 out of 5 or better	4.2
Percentage of contracted projects monitored at key contract stages	New measure	95%	100%

Comment

The Directors of Crown Regional Holdings Limited completed a survey in July 2026 which measured their satisfaction with the agreed services level provided during the 2025/26 financial year. The results indicated a satisfaction score of 4.2 out of 5.

The performance indicator and budget standard for the percentage of contracted projected monitored was revised for 2025/26 and outyears to establish a basic, auditable portfolio-level contract monitoring baseline

by tracking evidenced monitoring and movement through contract stages. All contracted projects were monitored in 2025/26.

Financial

Expenses (\$000)	2024/25 Actual	2024/25 Estimates	2025/26 Supplementary Estimates	2025/26 Actual
Total Appropriation	21,500	15,000	5,300	-

Comment

Approval has been sought to transfer \$5.300 million from 2025/26 to 2026/27 as part of the 2026 Pre-Election Baseline Update submission.

The relevant loan and equity investment was approved in May 2026; however, contracting was not completed by 30 June 2026. Capital funding is therefore now expected to be drawn down in 2026/27, once the relevant contracts have been novated to CRHL and the funding can be accessed.