Regional Economic Development

Weekly Report

1 April – 5 April 2019

To: Hon Shane Jones

Minister for Regional Economic Development

Fletcher Tabuteau

Under-Secretary for Regional Economic Development



IN-CONFIDENCE

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1. **Dashboard updates**

1.1 Status of applications as at 3 April



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EOI / Application received Devaluation Inactive Unsuccessful Approved Contracting Executed

* Please note that the graphic has changed to reflect the number of inactive projects (projects either on hold or wthdrawn) that were previously captured in the Evaluation stage. Additionally, Unsupported EOIs are now dategorised as Unsuccessful, increasing its numbers. Approved projects also includes out of process projects that are managed by other PGF agencies.

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2. Regional Updates

2.1 Taranaki

PipeDrive update

As of 3 April 2019, 44 applications and EOI have been lodged in PipeDrive. The status of those applications is:

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- 6 have been declined, withdrawn or are unsupported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

Regional Activity

The Prime Minister launched the H2 Taranaki Roadmap on 15 March in New Plymouth. The Roadmap has been funded by the Provincial Growth Fund (PGF) and is focused on the potential to adopt hydrogen technology in New Zealand. Funding applications for alternative energy technology and the supporting infrastructure are in development.

Experts in the Taranaki region undertaking biodiversity management has resulted in strong demand for increased training in the sector to meet job market demands. Two applicant groups are meeting regularly to develop applications to respond to different opportunities in this growing sector. One group is a Māori trust with considerable experience in this area and Provincial Development Unit (PDU) officials are assisting them in the process.

Kai Tahi, a company run by Ngā Rauru, produces 'superfood smoothies' using ingredients that include indigenous plant material. The company has been actively developing a business case to lift their production capability and is expected to result in the submission of a funding application in mid-2019. Kai Tahi recently convened a hui to discuss its business needs and possible sources of government assistance. Attendees at the hui included officials from the PDU, Ministry of Primary Industries (MPI), Te Puni Kōkiri (TPK) and New Zealand Trade and Enterprise (NZTE).

Various lwi in Taranaki have identified tourism as a key platform for future economic development and are engaged in discussion with PDU officials. They are looking to develop a region-wide offering of cultural tourism, including references to the unique historical role Taranaki played in New Zealand history.

State Highway 43 links the Ruapehu region with Stratford in Taranaki. Funding for a business case to consider sealing SH43 was agreed in April 2018 by the PGF. The business case led by New Zealand Transport Agency (NZTA) assesses the cost and opportunities for the highway, with <u>Commercial</u> and is currently being considered in a public consultation process Which will be by mid-2019. Confidential Advice to Government

Work is underway to identify the key capacity needs of Iwi/Māori in the region that

if met, would enable greater uptake of the PGF opportunity and achievement of economic opportunities that exist.

Upcoming Announcements

On 10 May, there will be a Just Transitions Summit in New Plymouth. The aim is to provide a national opportunity to consider moving Taranaki and other regions into a low-emissions economic model.

Contact:

Nicki Sutherland, Manager Regional Development (North), Privacy

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2.2 Kapiti

PipeDrive update

As of 3 April 2019, 24 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 6 are being assessed
- 1 has been approved
- 9 have been declined, withdrawn or are unsupported
- 1 is awaiting further information
- 5 are on hold
- 2 are awaiting assessment.

Regional Activity

The Senior Regional Advisor (SRA) in the PDU met with the Kapiti Regional Advisory Group on 13 February to gain insights and local knowledge of applications in the region. A Regional Advisory Group has been set up to provide local input and oversight into PGF applications.

The Senior Regional Official (SRO), Al Morrison and the SRA attended meetings on 12 March with local lwi to discuss the Whenua Maori allocation, the Marae Digital Connectivity project, 1 Billion Trees (1BT) and other opportunities available to lwi. They also met with the Mayor for Kāpiti District Council, K Gurunathan, and the chair of the local Regional Advisory Group, George Hickton, to provide an update on regional applications and discuss council priorities.

PDU continue to engage with a number of organisations interested in PGF support. A firm position has almost been reached on core projects for the region that fit within the criteria of the Fund. We are aiming to have these consolidated through the appropriate approval processes by mid-2019.

PDU officials looked at the business model for The Māoriland Hub in Ōtaki on 25 March. Investment is required to redesign the space to support the development of the Hub as a centre for New Zealand and indigenous performing arts, film and creative industry events; as well as creating a space for rangatahi, their whānau and the wider community. An investment in the Hub will assist in capturing the cultural, social and economic benefits in Ōtaki.

Te Uru Rākau (Forestry New Zealand) held an information session on the 1BT Fund on 25 March. This was well attended by Iwi, landowners, industry groups and Kāpiti District Council among others.

The PDU will be providing support to the Skills Workforce Programme in Kāpiti through the SRA. The cross agency government team will assist Wellington Regional Economic Development Agency (WREDA) and Greater Wellington Regional Council (GWRC) to deliver a workforce strategy for the Kāpiti Coast.

Upcoming Announcements

There are no upcoming announcements. We expect to have a package of support ready for announcement around May/June 2019 which will be focused on ecotourism.

Contact:	Kate	Styles,	Manager	Regional	Development	(Central/South),	Pri va
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2.3 Tairāwhiti

PipeDrive update

As of 3 April 2019, 54 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 7 are being assessed
- 21 have been approved
- 14 have been declined, withdrawn or are unsupported
- 4 are awaiting further information
- 6 are on hold
- 2 are awaiting assessment.

Regional Activity

Contract negotiations commenced in early February and continue between Gisborne District Council (GDC) and NZTA on the Tairawhith roading package, which is the largest investment in the region to date

There are a number of contracts based around the Gisborne Port and the Navigations project:

- Cook's Landing Restoration <
- Titirangi Kai Iti Connection
- Gisborne Inner Harbour
- Te Hā Sestersentennial Commemorations.

Cooks Landing and the Inner Harbour projects are in reference to the upgrade and beautification of these significant historic sites as well as forming part of the Navigations project.

The biggest piece of work is the \$6 million Mt Titirangi project which includes a redevelopment of Titirangi summit, the iconic Ngāti Oneone pā site. The contract with GDC includes a multi-use building/wānanga, landscaping and a carpark.

The Hā 1769 Sestersentennial Trust have been contracted to organise the Tuia 250 commemorations in Gisborne. This includes a series of activities throughout this year culminating in the arrival of the traditional voyaging waka, tall ships and naval vessels in early October.

The Gisborne Airport Terminal blessing and sod turning ceremony took place on 15 March and was attended by local MPs, Meka Whaitiri and Kiri Allan. The ceremony was led by Rongowhakaata.

Marsha Wyllie from TPK's Gisborne office has been seconded to the Provincial Development Unit team in Tairāwhiti as a Programme Manager for Te Ara Mahi/He Poutama Rangatahi. Marsha is a dedicated resource to help achieve better skills, training and employment outcomes in Tairāwhiti.

Upcoming Announcements

There are no upcoming announcements.

Contact: Nicki Sutherland, Manager Regional Development (North), Privacy

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Appendix 1 – Upcoming Meetings & Events

Meeting / Event	Support
Monday, 8 April 2019	
Tuesday, 9 April 2019	
Wednesday, 10 April 2019	
MBIE Officials meeting	SE
Thursday, 11 April 2019	(A)e
USEC meeting with T3W	
Friday, 12 April 2019	
Minister Jones in Whangarei visit Wilson Earthm	pving
Group	
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April	Мау
17 USEC Top of the South announcement	2 USEC NZIER presentation
in Nelson 18 Minister Jones PGF announcement in	

- Gore 24 MBIE Officials meeting

Appendix 2 – Media & Communications Schedule

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	Media & Communications Schedule								
Date of Event/ Announcement	Activity	MBIE Contact							
12 April	The Deputy Prime Minister and Ministers Jones and Jackson in Northland to announce PGF investments relating to a heavy machinery training centre and skills and employment.	Cita Parsot							
17 April	Under-Secretary Tabuteau in the Top of the South/Te Tau thu to announce PGF investments for various projects relating to aquaculture, tourism and research, science and innovation.	Laura Barnsley							
18 April	Minister Jones in Gore to annour ce approx. \$3.8m for two PGF projects: Hokonui Huanui, a rangatahi training programme, and the development of the Maruawai precinct.	Jonathan Gee							

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Appendix 3 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date delivered
2925 18-19	Minister's investment announcements at Waiparera Marae, 5 April 2019	Minister Jones	Ben Dalton	29 Mar
3032 18-19	Information to support the Project Commer Provincial Growth Fund Figure Proposal Cabinet Paper	Minister, USEC	Isabel Poulson	1 Apr
3031 18-19	Meeting with Tourism Industry Aotearoa 4 April 2019	Minister, USEC	Isabel Pouison	2 Apr
3027 18-19	Funding transfer to implement projects approved from the Provincial Fund – Pacific Employment Support Services	Ministers Robertson, Jones, Sio, USEC	Robert Pigou	2 Apr
3028 18-19	Funding transfer to implement projects approved from the Provincial Fund – Department of Conservation	Ministers Robertson, Jones, Sage, USEC	Robert Pigou	2 Apr
3074 18-19	Westport Airport PGF Proposal	RED Ministers	David van der Zouwe	2 Apr
3036 18-19	Supplementary Information on Geo40 Limited's Provincial Growth Fund application	RED Ministers	David van der Zouwe	3 Apr
3092 18-19	Aide Memoire on Cabinet Paper seeking establishment of PGF Limited	Minister, USEC	Isabel Poulson	4 Apr

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

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
2911 18-19	Meeting with Te Tira Toi Whakangao	Minister Jones/ USEC	Isabel Poulson	5 Apr
ТВС	Briefing to support USEC Top of the South announcements	USEC	Kate Styles	11 Apr
2877 18-19	Event briefing to support Minister Jones' Gore announcements	Minister Jones	Kate Style	12 Apr
2877 18-19	Event briefing to support USEC attendance at NZIER event	USEC	Isabel Poulson	22 Apr
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Appendi	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				
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	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				
1819-0868	Privacy of Natural Persons	30 Nov	15-Mar	22 Mar	Minister's Office	Copies of papers regarding PGF between 24 Sep to 30 Nov 18				
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				Depa	rtmental OIAs	
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
819-1155	Privacy of N t I P	6 Feb	15 Mar	22 Mar	Partial response sent- response to be sent 5 Apr	I request the following information in relation to the Provincia Development Unit statement on Tuesday 5 February 2019 that "10,000 jobs may be created as a result of PGF investment". 1. A complete breakdown of the "10,000 jobs" figure in the form of an itemised list detailing the specific jobs that may be created, the investment that will produce each job and any conditions that must be met in order for each job to be created. 2. For each claim of potential job creation please provide the source document, all analysis and associated information that has been cited or otherwise used to produce a figure. 3. Any external advice that the Provincia Development Unit has sought or received on job creation numbers. 4. All internal correspondence relating to the statement that was released. 5. All correspondence with the Minister for Regional Economic Development's office relating to the statement that was released. 6. A copy of all correspondence including text messages and phone calls that Robert Pigou has had with the Minister for Regional Economic Development or his office relating to the statement that was released. 7. A copy of any spreadsheets or other documents which have been used to calculate the "10,000 jobs" figure. As the Provincial Development Unit has already released this statement and has no doubt corroborated and based the contents on factual information in their possession I would expect parts 1 and 7 of the information I have requested to be made immediately available.

				Depa	rtmental OIAs	
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1236	Privacy of Natural Persons	20 Feb	13 Mar	20 Mar	Sent partial response	To whom it may concern, Under section 12 of the Official Information Act 1982, I request the following information in relation to the Minister for Regional Economic Development's interview with 1 News on 20 February 2019: • all material provided by MBIE to the Minister for Regional Economic Development and his office in preparation for the interview • all communications between the Minister's office and MBIE officials in relation to the interview • all communications between the Minister's office and MBIE officials in relation to ascertaining the number of jobs created by the Provincial Growth Fund • a list of the 229 projects referenced in the 1 News piece • a breakdown of all 560 jobs that have been created, listed by the name of the project and the number of full time and part time equivalent jobs counted for each o for each job, please include the date in which the job was created and when, if applicable, the job is expected to end • a list of each project that officials contacted to ascertain how many jobs have been created • all correspondence between MBIE officials and each of the project recipients relating to the number of jobs the recipients' project has created • all arithmetic, spreadsheets and source documents used to arrive at the 560 job creation calculation • all communications with Priv and Privacy of Waitangi Mountain BikePark natural persons

				Depa	rtmental OIAs	
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1175	Privacy of Natural Persons	10 Feb	29 Mar	25 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 April 2018 to 30 April 2018 (both dates inclusive.)
1819-1260	Privacy of Natural Persons	25 Feb	5 Apr	12 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 May 2018 to 31 May 2018 (both dates inclusive.)
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				Depa	rtmental OIAs	
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1276	Privacy of Natural	26 Feb	16 Apr	23 Apr	Consulting	I am locking for information regarding the approval of funding under the Provincial Growth Fund. It would be ideal to have access to: • Any advice given to the government or any minister assessing the risk and benefits of proposals from the Provincial Growth Fund including but not limited to memos, letters, reports and briefing papers; • Any information regarding the process for approving funding, including but not limited to information of who has the mandate to approve the funding and at what levels; • A list of all projects considered for funding in the rounds already made public; and what stage they are currently at; • A list of all approved projects and what investment has to date been made by the Government, through the Provincial Growth Fund; • This should include but not be limited to any assessments of the value of funding these projects, any discussion of the risks and benefits of funding each project, the criteria used to assess them, and any material submitted by the projects in order to assist any decision making; • Any discussion or advice on how the success of the specific projects could be measured or how success of the Provincial Growth Fund could be measured.

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Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1351	Privacy of N t I	11 Mar	Apr	08 Apr	Sign out	Kia ora, Thank you for your letter. I am a bit confused at the content, and am wondering if this particular letter was accidentally meant for someone else? The explanation given in the letter didn't at all align with what I had been told and noted down on the call a few weeks back. The 3 reasons given for declining our application on the phone call were: • Commer didn't consider our Commercial Information project 'a gbod fit' • There was concern our project was all government funding (which I mentioned on the phone was not the case as we have our other Commercia partners, too) • Concern that there wasn't a clear view of what would happen post the three year duration of the project Also, as I mentioned on that phone call – we have serious concern with Commerci involvement in the process due to their behaviour in the past towards Commerci which has included them contacting our private and public sector partners to try and get them to work with Commer rather than Commerci, and also how they have used our intellectual Property. What kind of assurance can you give us with regards to the processes that have been used when sharing our Intellectual Property in the Commercial Information project proposal with others to review it, in particular Commerci that it will be protected from any of those people or organisations being able to take and use it? And finally, can we please be provided with the feedback from each of those that you sent our proposal to, and in particular where it did and did not match with the criteria set for funding. Best, Priva

				Depa	rtmental OIAs	
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1333	Privacy of Natural	08 Mar	1 Apr	05 Apr	Sign out	MBIE Spotlight Paper: Can New Zealand be internationally competitive in selling sawn timber into the Chinese Market?
819-1323	Privacy of Natural Persons	06 Mar	19 Apr	26 Apr	Consulting	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.)
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				Depa	rtmental OIAs	
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1447	Privacy of Natural	02 Apr	26 Apr	3 May	Scoping	With respect, Trequest the following information under the terms of the Official Information Act 1982, in relation to the papenvork 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

Departmental OIAs								
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request		
1819-450	Privacy of N t I	2 Apr	26 Apr	3 May	Consulting	 I request the applications and related decision papers and advice from the Provincial Growth Fund below Opōtiki 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. 		

Appendix 6 – Ministerial Correspondence

Ministerial Correspondence									
Tracking Number	Name	Date received	Due to Minister's Office	Subject					
SJ2208	Privacy of Natural	12 Mar	8 Apr	Request for investment into five regional Māori initiatives					
SJ2218	Privacy of N t I P	12 Mar	8 Apr	Proposal for a 50% surcharge on all overseas payments to providers of jobs that could be managed in NZ					
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Appendix 7 – Parliamentary Questions

Written Parliamentary Questions								
Tracking Number	From	Date received	Due to Minister's Office	Question				
PQ 1273	Hon Paul Goldsmith	1 Apr	5 Apr (Sent on 3Apr)	What reports, briefing, memos or aide memoire did the minister receive between 25 March and 31 March 2019 (both dates vinclusive) by title and date.				

Oral Parliamentary Questions								
Tracking Number	From	Date received	Due to Minister's Office	Question				
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Appendix 8 – 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	Preparing documents
N/A	Cabinet papers 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 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
Multiple	Weekly Reports (25/1, 01/2, 08/2, 15/2, 22/2)	TBC