



MAKE
TAPUAE ROA
WAY
FOR TARANAKI

ACTION PLAN
A PLAN TO PROSPER TARANAKI

Tapuae Roa refers to the footprints across centuries, looking into the past and looking ahead to the future. It acknowledges the importance of taking a long-term intergenerational view to drive the right collective behaviour and investment decisions. The core focus of Tapuae Roa is people. It is people who take economies forward.

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MESSAGE FROM NGĀ IWI O TARANAKI

Tukua e au taku Tapuae Roa, Ko Huakinuku, Ko Huakirangi

Tēnā ka whai tapuae, tēnā ka whai taumata

Te whāinga i te taumata nō Rongo

Te taumata o Taranaki Maunga e tū nei

Hoāia tukua ko te Tapuae Roa ki te ao.

Titiro whakamuri kia anga whakamua, ā, me whai i ngā tapuae o rātou mā. Whakaraupohia e te iwi kia kōtahi te rautaki whai rawa, mā ngā iwi o Taranaki maunga mā te hapori whānui.

Kua puta kētia te rautaki o Tapuae Roa kei konei ōna tū mahi hei whāinga mō ngā rā kei mua i te aroaro tīhei mauriora.

Me kī pēnei haere ngā mate, haere ngā mihi, haere tēnei kaupapa kia eke ki ōna taumata.

As tangata whenua, Ngā Iwi o Taranaki take an intergenerational approach to developing our strategic endeavours and future planning.

Tapuae Roa acknowledges our past to ensure we step confidently into the future. The Treaty settlements over the last 15 years in Taranaki have helped us to regroup after 170 years of major upheaval where our tūrangawaewae, our economic base was taken from us.

By working on this strategy with our councils and other stakeholders, Ngā Iwi o Taranaki are signalling to the wider Taranaki Community that we are ready to work together as Treaty partners. That is not to say at times we will continue to be very much focused as eight individual iwi on our own endeavours that are primarily to support our tribal communities on the ground both culturally and economically.

The Tapuae Roa strategy and action plan will have meaning when this is achieved. When Ngā Iwi o Taranaki are strong and confident culturally this will have a positive impact on us economically and in turn be of benefit to the wider community. With this in mind let us all be prepared to work together.

‘Ki te hoe’

Te Pahunga (Marty) Davis – Aotea waka

Liana Poutu – Tokomaru waka

Wharehoka Wano – Kurahaupō waka

MESSAGE FROM THE TARANAKI MAYORAL FORUM

Every now and then it pays to pause and look at our region with fresh eyes – that’s Tapuae Roa. The Tapuae Roa Strategy, published in July 2017, was an act of collectively thinking aloud about the ‘what’ - what we have achieved and what does the future hold for us? This Action Plan is about the ‘how’ – how we will achieve the future we want for our region?

Looking back, we should feel very pleased. We have a strongly performing region and this performance has been sustained over a long period. But nothing is guaranteed. As a region and as a nation we are facing monumental challenges such as limits to natural resource use. For example, the new Government is taking us down a path of addressing climate change and the quality of the fresh water in our rivers and waterways. Development of our region has to be seen in the context of such national priorities.

Taranaki people have never shirked hard work or shrunk from a tough challenge, but the next set of challenges will need more than the sweat of our brows. It will require us to exercise our smarts, further develop those smarts and undertake strong collective action.

Our future ‘wealth’ will come less from beneath our feet (from grass, oil and gas) and more from between our ears. We need to identify, develop and foster the talents of our people. We need to transform those talents into enterprise – the business of economic activity – whether in existing or new businesses, large or small.

Historically we have been supported by our mainstay industries such as dairy and energy, a range of other primary industries, and more latterly poultry. They have boosted employment and GDP giving us higher household incomes than other regions and a steady inward flow of wealth. For the future they will still be important, particularly as Taranaki spring boards into a modern high-value economy, but we need to diversify those mainstays to build long-term resilience.

Fifteen years ago we established Venture Taranaki Trust (VTT) and, largely reliant on funding from local government, VTT has vigorously pursued development, and with notable success. VTT will be vital to the next stage in our journey. They too may have to adapt, and they certainly cannot do this alone. We are all going to have to act together in ways we perhaps haven’t before.

The world does not stand still. In today’s world regional development is not just about economic development. It is about improvement in the quality of our lives, which has many dimensions. The relationship between wealth and wellbeing needs to be carefully planned so we get what we want and what our environment can sustain.

This Action Plan is like a road map which we need to follow to avoid getting diverted and losing the momentum that our years of success have created. Each of us in our own councils has committed ourselves to the direction laid out in this Plan. We must now pursue it with vigour.

Neil Holdom – Mayor New Plymouth District Council

Neil Volzke – Mayor Stratford District Council

Ross Dunlop – Mayor South District Council

David MacLeod – Chair Taranaki Regional Council

MESSAGE FROM THE LEAD TEAM

Taranaki has significant advantages, nationally and internationally. They say you can take the boy or girl out of Taranaki, but you can never take Taranaki out of the boy or girl!

As a people, and as a region we are truly unique – those that call this place home do not all live here. There are hundreds of thousands of folk around New Zealand and around the world that are committed to this place – all that it is, and all that it can be. They want to stay connected, and they want to help. Many of these folk have put their hand up during this process. To truly achieve our potential, it is essential we create an opportunity for everyone to play their part.

Our Regional Economic Development Strategy is unashamedly aspirational. To achieve (and surpass) our regional potential, we all need to play our part, and we all need to be working together.

Tapuae Roa has created an opportunity for that to happen.

The main drivers of our economy in the past, will still play their part going forward (the energy industry, the dairy industry, the Government, and so on), but our future will involve so much more.

Our future involves harnessing our unique advantage – our people. “Taranaki – where talent becomes enterprise”. We are the ones who are going to make it happen! Increasingly it is falling on us in the regions to lead our development and create “our place” for ourselves.

We were appointed by the Mayoral Forum as a Lead Team to lead the preparation of a development road map. This is it.

We might have been given the initial lead but a great team of committed people took that lead and did the grunt work to get this plan in place. This is where it starts, not where it stops. The scope and scale of the actions detailed in this plan are breath-taking in their ambition. At other times in our history they may have been discretionary - “nice to have”. But we are facing a very different future. Now “nice to have” is “need to have”. There is a new urgency required as we move forward.

This is a serious initiative that is going to require serious leadership, serious money and serious commitment. It has arisen from deep analysis of what it will take to lift our region into the new economy that is coming at us, with all its threats and all its opportunities. We will need renewed enthusiasm, new thinking, new organisations and attitudes to take us forward.

This Action Plan is the start.

We are sure the people living here, and associated with this place, are up for the challenge.

Together we can make it happen!

Peter Tennent - Chair

Wharehoka Wano - Deputy Chair

Sophie Braggins

Robin Brockie

Andrew Clennett

Te Pahunga (Marty) Davis

Neil Holdom

David MacLeod

Al Morrison

Bronwyn Muir

Kevin Murphy

Liana Poutu

Dan Radcliffe

Scott Walls

EXECUTIVE SUMMARY

This Action Plan follows the Tapuae Roa Strategy published in August 2017. The Strategy was published early to generate thinking and discussion, and it has been successful in doing so. This Action Plan reflects advances in that thinking and should now be treated as the definitive planning document from the Tapuae Roa strategy development process.

ACTION TEAMS

The strategy analysed the issues facing the region and the opportunities. The Action Plan phase focused down to eight areas and eight Action Teams were formed. Three were focused on the transformation of the traditional sectors – energy, food and the visitor sector. To those three was added a fourth – Māori economy. These are now called the “Four Futures”.

The other four Action Teams examined development enablers: talent, enterprise and innovation; accessibility and connectivity; vibrancy and liveability; and investment. These are termed the “Four Foundations”.

The Action Plan recommends activity and investment in all eight areas and specifies a programme of action in detail.

FOUR FUTURES

The Four Futures are a carefully constructed mix of sectors.

Energy Futures is the most ambitious. It recognises the threats of climate change to Taranaki’s energy industry. It seeks to establish a position for Taranaki in the coming world of renewable energy, off the back of the current non-renewable industry. The greatest threat is that the energy industry of the future will consolidate in other parts of the world and Taranaki and New Zealand will gradually lose its stake in this sector.

The challenge in Energy Futures centres on the development of low emission and renewable energy technical capability in the region with a New Zealand-wide and international reach. It also seeks to establish a place for Taranaki in the emerging hydrogen economy with a particular focus on zero emissions and heavy and long distance transport. This is a high risk, high reward initiative. If successful it would be the basis of a strong economic future for the region, similar to the role energy has played in the past.

Food Futures is a derivative of the already strong commodity-producing economy of Taranaki. As a strong producer of protein, Taranaki has the base to build into the international value-added market.

As with energy, it is seeking to future-proof an industry that is becoming constrained by the finite capacity of the regional (and national) environment and where downstream processing has the most potential for extension and expansion.

The challenges in Food Futures will involve industries, that have historically operated in silos, thinking collaboratively about new products and using commodities as ingredients for consumer-ready products. Such added-value production has expanded gradually in recent years. Food Futures is an opportunity to accelerate that growth. As with Energy Futures, this initiative has its risks and uncertainties, but the region has a strong presence in food production, and there is considerable experience on which to draw.

Food Futures also extends to Farm Futures. This is the boosting of productivity and profitability on-farm, especially in the hill country. It is also about the most productive and profitable use of land which brings into play the forestry initiatives of the incoming Government as an antidote to climate change.

Māori Economy Futures is the result of a fresh look at directions for participation of Māori and iwi in the economy. Ngā Iwi o Taranaki are looking to focus on a new generation of Māori leadership through ensuring they have the requisite technical and technology skills to participate in the modern economy.

Visitor Sector Futures involves the extension of an already significant industry which has potential to grow in the region. Being located “slightly on the edge” of the main national travel routes, Taranaki lags behind areas with comparable visitor sector natural assets. The visitor sector involves lower risk than Energy or Food and has the added advantage of being labour-intensive with the potential to create job opportunities in urban and rural parts of the region.

FOUR FOUNDATIONS

Underpinning the Four Futures are the Four Foundations. As with the Futures, they have been carefully selected for their impact on the local economy and in the context of a people-centred development strategy.

Talent, enterprise and innovation is the most important and ambitious of the Four Foundations, and the most challenging to successfully execute. It recognises the importance of skills and business development for the future of the region. It aims to bridge the gaps between the education sector and industry needs.

The particular focus of this Foundation is on training for a modern economy. The required skills have been identified in the Māori Economy area by the acronym STEAMID¹ (Science, technology, engineering, arts/design, mathematics, innovation and digital), and also in the idea of the Eight Emerging Technologies (robots, internet of things, drones, blockchain, artificial intelligence, 3D printing, augmented reality and voice recognition).²

The purpose is to grow the enterprise and innovation capability in Taranaki across all sectors. The backbone of this initiative is the formation of a series of up to six talent and enterprise hubs around the region. These hubs, which will overlap with those proposed in the Māori Economy, Food and Energy Futures, and the Vibrancy and Liveability focus areas, involve taking the services to the people more than the reverse. Hubs would be closely inter-connected and would be larger or smaller depending on their location.

Accessibility and Connectivity is an important enabler for Taranaki because of the region's geographical location. It is characterised by improvements in conventional transport together with the neutralising effect digital connectivity and the internet have on geographical isolation. There are recommendations around the enhancement of the port, roads, rail, the airport and digital connectivity.

Vibrancy and liveability are key attractors both to the region and to retain people and their skills in the region. Tribally iwi are also looking to retain their people in their tribal areas and to encourage those skilled ones living out of the region to come home. This requires us to ensure we provide opportunities to grow capacity locally along with work opportunities. The Vibrancy and Liveability actions focus is on what can be done to further enhance the attractiveness of Taranaki to talented and entrepreneurial people, their families, their staff and their businesses. The actions include: marketing and promotion, services for people, events, infrastructure, services for immigrants, enhancement of the natural environment and culture of doing business.

Investment is arguably the single greatest enabler, and barrier, to regional development. Limited funds are available through local government as a result of pressure on local body rates. Private sector funding sources are available but have not historically been particularly geared to regional-level funding and investment. There is a heavy reliance on central government funding in the early stages of projects.

A systematic approach to funding and investment is required over the life of the strategy with the burden gradually falling more on the region (rather than central government) as projects mature.

Funding options considered in the strategy include regional royalties, angel investment, a Taranaki Growth Fund, Iwi investment, foreign direct investment and philanthropic contributions.

INSTITUTIONAL ARRANGEMENTS

Finally, the Action Plan opens up the questions of what types of institutional arrangements are required to provide the leadership necessary to take this programme forward. An enhancement of the present arrangements is proposed with a sharper leadership focus. In particular, it involves greater participation by local business in development, together with clear roles between the key players such as local government and Venture Taranaki Trust.

¹ KPMG REPORT TO TAPUAE ROA (unpublished)

² PWC REPORT TO TAPUAE ROA (unpublished)

THE MISSION

*“Where talent becomes enterprise”
‘Kia eke panuku’*

Making people the centre of development

VISION
GOALS
VALUES

ATTRACTIVE LIFESTYLE



The Taranaki lifestyle offering retains and attracts people

Whanaungatanga: Relationships
The people of Taranaki are at the heart of the strategy

TALENTED PEOPLE



Taranaki is a place where talented people want to live and work

Kaitiakitanga: Guardianship
Sustainability of our natural environment is paramount

MODERN, HIGH-VALUE ECONOMY



Taranaki has the highest proportion of technology-enabled and digitally-focussed enterprises in regional NZ

Tuakana teina: Succession
Thinking long term, preparing for the next generation

STRATEGY

FUTURES

ENERGY FUTURES

MĀORI ECONOMY FUTURES

FOOD FUTURES

VISITOR SECTOR FUTURES

FOUNDATIONS

TALENT, ENTERPRISE & INNOVATION

ACCESS AND CONNECTIVITY

VIBRANCY AND LIVEABILITY

INVESTMENT

ACTION PLAN

LEADERSHIP AND OVERSIGHT

MAYORAL FORUM / VENTURE TARANAKI / COUNCILS

FUNDING AND DELIVERY

Local councils, regional council, central government, iwi, business, private investors, trusts and philanthropic organisations and individuals

DELIVERY

FIRST STEPS

This is a large programme of work. It contains some near “ready-to-go” projects, whereas others require in-depth investigation beyond the scope of this Action Plan.

The key first steps are those associated with the Four Futures, but equally immediate are the organisational and funding arrangements that will carry the programme forward.

FIRST STEPS FOR THE FOUR FUTURES

<p>ENERGY FUTURES </p> <p>New Energy Development Centre</p> <p>Immediate actions:</p> <ul style="list-style-type: none">• Assessment of costs and shareholder/ stakeholder participation over a five to ten year period in the Centre.• Confirmation of initial projects.• Preparation of a development plan to attract and secure investment. <p>H₂ Taranaki - Hydrogen Technology</p> <p>Immediate actions:</p> <ul style="list-style-type: none">• Connect with other countries and regions for learning and collaboration opportunities.• Scope a Road Map, business case and initial projects with local councils and central government for H₂ Taranaki.	<p>FOOD FUTURES </p> <p>Taranaki Food Network</p> <p>Immediate actions:</p> <ul style="list-style-type: none">• Detailed assessment of the proposal for a Taranaki Food Network and associated food ecosystems.• Preparation of a detailed Food Futures Development Plan.• Engagement with, and commitment of, investors to the programme.
<p>MĀORI ECONOMY FUTURES </p> <p>Māori Economy Development Plan</p> <p>Immediate actions:</p> <ul style="list-style-type: none">• Stocktake of existing iwi economic plans.• Analysis of the current state of individual communities and their readiness for development.• Workshop to design the detail of local initiatives.• Design of funding models and engagement of potential investors.	<p>VISITOR SECTOR FUTURES </p> <p>Taranaki Crossing upgrade</p> <p>North Egmont Visitor Centre</p> <p>Enhanced regional events programme</p> <p>Taranaki Cathedral upgrade</p> <p>Immediate actions:</p> <ul style="list-style-type: none">• Prepare development plans for each project.• Get projects underway.

FIRST STEPS FOR THE FOUR FOUNDATIONS

<p>TALENT, ENTERPRISE AND INNOVATION</p> <p>Talent, enterprise and innovation hubs</p> <p>Immediate actions:</p> <ul style="list-style-type: none"> • Undertake design of the regional hubs concept – proposed for up to six locations. • Partner with WITT, private education providers, councils and industry on this feasibility. • Assess viability. • Assess requirements for shared space and incubator services within the hubs. • Assess exemplars from other locations – New Zealand and offshore. 	<p>ACCESSIBILITY AND CONNECTIVITY</p> <p>Port Taranaki diversification</p> <p>Upgrade of SH43</p> <p>Upgrade of Airport Drive and SH3 intersection</p> <p>Trial the use of fibre in schools for broader rural application</p> <p>Review progress on resolving cellular and broadband blackspots</p> <p>Immediate actions:</p> <ul style="list-style-type: none"> • Prepare development plans for each project. • Commit to a timetable. • Get projects underway.
<p>VIBRANCY AND LIVEABILITY</p> <p>Perceptions Research</p> <p>Immediate actions:</p> <ul style="list-style-type: none"> • Conceive and undertake a survey to understand the drivers of population attraction and retention. • Use this as a foundation for setting priority actions. 	<p>INVESTMENT</p> <p>New revenue streams for regional development</p> <p>Immediate actions:</p> <ul style="list-style-type: none"> • Mount a regional investment seminar. • Investigate the proposition for a Regional Growth/Investment Fund. • Publish the first edition of a Regional Investment Prospectus.

These Futures and Foundations have been assessed into the following categories:

- **Near-ready-to-go:** Visitor Sector; Accessibility and Connectivity.
- **Project development ready:** Energy; Māori Economy; Talent, Enterprise and Innovation.
- **Concept required:** Food; Vibrancy and Liveability; Investment.



INTRODUCTION – UNDERSTANDING TAPUAE ROA

To understand the Tapuae Roa Strategy is to understand one thing – the potential of our people.

The realisation is emerging in regions around New Zealand, and for that matter in many western countries, that the real challenge of the future will be human talent and enterprise - attracting and retaining people who will drive the changes required to achieve a modern high-value economy and the sense of wellbeing that communities aspire to.

The other challenge is harnessing that talent and turning it into business enterprise. This involves the region leading its own economic development rather than relying solely on the domestic and international markets, both of which have their own priorities, which include trends such as urbanisation and centralisation that do not support regions.

This Action Plan is about continuing to attract people, despite controls on immigration; continuing to retain people (especially young people), despite the pull of the main centres; and upskilling and reskilling our people to bring them into, and contributing to, the labour market.

Taranaki is generally on the wrong side of the national average on skills and qualifications – not seriously so - but enough to mean that the situation needs to be put right, if we are to have a prosperous future with everyone included. Tapuae Roa is about making those people as productive as possible, which means jobs, businesses and the pursuit of opportunities.

FOUR FUTURES

We have attempted to make this Action Plan as simple as possible in a complex world. We are seeking to lead economic development with what we have called the “Four Futures”:

- i. **Energy Futures** – carving out an international business in low emission and renewable energy just as we have previously done in non-renewable energy.
- ii. **Food Futures** – extending our capability in processed foods to add value to our existing commodity food production.
- iii. **Māori Economy Futures** – bringing Māori enterprise into the mainstream of modern business and enterprise.
- iv. **Visitor Sector Futures** – lifting the scale of the Taranaki visitor sector to the levels of other regions of New Zealand.

Development of these Four Futures will “show the way” towards the modern high-value economy we are seeking to create in our region.

These futures could be seen as brands within the overall umbrella of the Tapuae Roa brand. It is envisaged that each would have its own focus and leadership, vision and goals. Each would seek to galvanise its stakeholders into the programme. Each would be locally, domestically and internationally connected as required.

FOUR FOUNDATIONS

Underpinning the “Futures” would be “Foundations”. These are the structures that support the development effort. These are listed below and described in detail in this Action Plan. They are:

- i. **Talent, Enterprise and Innovation** – building the skills and businesses of the future.
- ii. **Vibrancy and Liveability** – continuing to ensure that Taranaki is a great place to live and work.
- iii. **Accessibility and Connectivity** – transport and digital connection.
- iv. **Investment** – investment sources and channels for development.

NEW THINKING

Grasping these Futures and strengthening these Foundations will require some recalibration of our thinking. It will fall heavily on the leaders of Tapuae Roa to not only lead development, but to lead thinking. There are five key areas where “new thinking” will be required:

i. Think international

McKinsey’s give us a context with their observation that trade was once largely confined to advanced economies and their large multinational companies. Today, a more digital form of globalisation has opened the door to small companies and start-ups, and to billions of individuals. Tens of millions of small and midsize enterprises worldwide have turned themselves into exporters by joining e-commerce marketplaces such as Alibaba, Amazon, eBay, Flipkart, and Rakuten. Approximately 12 per cent of the global goods trade is conducted via international e-commerce. Even the smallest enterprises can be born global: 86 per cent of tech-based start-ups surveyed by McKinsey Global Institute report some type of cross-border activity. Today, even the smallest firms can compete with the largest multinationals.

This must be part of Taranaki’s future. This is a prime area in which the Taranaki economy can be broadened and deepened, and prepared for changes in the nature of work and enterprise which will soon be upon us.

ii. Think transition

A significant part of the future of Taranaki will involve its traditional industries, but not necessarily in their traditional form. The current fossil fuel-dominated energy industry will gradually give way to low carbon alternatives and if Taranaki is to remain an energy centre it will have to make this transition. Gas, which is an important product of Taranaki, will likely be a transition fuel.

Productivity improvements in primary industries will be more difficult to win with gains more likely in value-added products. It will be important that the people of Taranaki are aware and engaged in the transition, so that they can contribute to it.

iii. Think digital and technical

While there is more to the world than digital and technology, it will be a foundation of any future high-value economy. Two types of skills are central to this way of thinking: STEAMID and the “Eight Emerging Technologies”.

These knowledge and skill areas, which are described in detail in this plan, will be fundamental to the “regional CV” of the future. A high level of digital and technical capability is what will give Taranaki the edge in domestic and international markets.

iv. Think enterprise

Value in a regional economy is created through business enterprise. Technology means that this value is not the exclusive area of corporates and large organisations. In fact, much of the innovation of economies is arising from small outfits driven by clever people. This is the future of Taranaki.

v. Think values

A future based on people needs to be based on values. Tapuae Roa has three core values and it is these values that inject the intensely human dimension into development.

Whanaungatanga: Relationships – The people of Taranaki are at the heart of this strategy.

Kaitiakitanga: Guardianship – Sustainability of our natural environment is paramount.

Tuakana teina: succession – Thinking long term, preparing the next generation.

APPROACH

There are four guiding principles for the Action Plan:

i. Public/private

The conventional wisdom is that the public sector is risk averse and the private sector isn't. At times this is true, but for many of the initiatives in this Action Plan there will be a need for the public sector – local and central – to set the pace, to chance its arm. The private sector will take confidence and gradually come in behind, but in the early stages of programmes like this it is the private sector that is generally "bearish". Public/private partnerships, often sequenced across time, will be vital.

ii. Whole-of-region

Unless there is a whole-of-region effort, the danger remains that initiatives will be too small and too vulnerable to failure. Scale and multiple participants are a hedge against risk. One of the key regional resources will be determination and that means being prepared to operate at scale and make it work.

Whole-of-region also means all councils, iwi, private enterprise and projects that impact not just the cities but outside the cities and in rural areas.

iii. Partnership

It will only be possible to achieve the scale required with the pooling of resources and talent. Partnerships, joint ventures and cooperative endeavour will be essential. Silos will be the enemy of progress in this stage of the development of the region.

iv. Communication

To be successful this Action Plan requires the people of Taranaki coming along for the ride. It cannot be the Plan of a few in leadership. It must reach right out through the community so that everyone is engaged with what is being undertaken and why. For this reason, there must be an active communication programme with a strong element of engagement.



THE 4 FUTURES





ENERGY FUTURES

OPPORTUNITY

Energy Futures is a key growth sector for Taranaki. It is the highest risk/reward initiative in this Action Plan and is included for that very reason.

Taranaki has a well-established energy sector dating back more than 70 years. It is currently based primarily on conventional oil and gas extraction with the addition of value-added products such as methanol and ammonia-urea. With the impending international shift to renewables and low emission energy solutions, Taranaki is faced with either the gradual contraction of this industry or participation in developing renewable and low emission energy markets.

The energy industry, which has broader international concerns and priorities, is not necessarily going to do this in Taranaki. It thinks at a global scale and could easily decide to focus its energies elsewhere. It will require leadership from the region if Taranaki (and New Zealand) is to capture this 'Future'.

The vision for the future is to have strong, secure and sustainable energy and petrochemical industries, but also to be an exporter of renewable energy, new energy ideas, solutions and technologies. Ideally it would be the location of choice in New Zealand for new energy companies and energy technology developers. It would seek to enhance Taranaki's status as the nation's energy leader.

CONTEXT

Energy Futures involves attracting new business, talent and investment in this sector to the region, leveraging international skills and connections, and gradually reskilling and retooling the industry. In short it is preparing the region for a major transition over a relatively short time – just a few decades.

The energy sector is the backbone of the Taranaki economy producing 30 per cent of its GDP. It is vital that regional support for the existing industry remains strong while recognising that future growth is likely to come from new initiatives supported by the Energy Futures programme.

The global energy sector is in the midst of a significant transition, driven by new technologies, changing consumer preferences, and efforts to reduce pollution and greenhouse gas emissions. This transition will create demand for new products and services both in New Zealand and in export markets.

The International Energy Agency conservatively projects that in five years to 2022, growth in renewable generation will be twice as large as that of gas and coal combined.

Taranaki is well positioned to participate in the growing renewable energy markets. It has a world class industrial and technical capability across engineering, fabrication, manufacturing, construction, logistics, operations, maintenance and health and safety built on the energy sector.

However, the region lacks tertiary and research institutions and is at risk of losing skills, capability and infrastructure when the existing industry activity fluctuates. New renewable and low emission energy technologies are challenging to commercialise and the Energy Futures work stream aims to consolidate activities in the region and leverage existing industry and skills to create new energy opportunities.

The desire for renewable low emission transport and heat solutions is also driving international interest in hydrogen as a clean energy carrier. McKinsey estimates that Hydrogen Council members and government investments in hydrogen of USD 20-25 billion per annum could create a self-sustained market by 2030, turning over more than \$2.5 trillion and creating some 30 million jobs along the value chain.

Visualising the Future

"Energy Futures" is intended as a brand under which new energy initiatives would be fostered. At its heart is a New Energy Development Centre promoting development in clean energy technology and practice. This is a virtual and actual hub designed to accelerate enterprise development in new technologies. It connects Taranaki with the rest of the country and the world. Beside it, but separate to it, is proposed a significant clean energy 'play' – the development of Taranaki as a hydrogen centre. Hydrogen is a clean energy carrier and storage medium for renewably generated electricity, and can be used for zero emission transport. It is one piece, a significant piece, of the renewable, low emission, energy picture of the future. It gives Taranaki a piece of that future.



Taranaki is particularly well suited to pilot a zero emission hydrogen ecosystem. It has significant water, wind and solar resources, established gas infrastructure, and a deep-water port with convenient geographical position for access to Australian and Asian export markets. It is unique that it is home to the country's largest current hydrogen producers with significant technical capability and has heavy industry users clustered in the one geographical area that could be leveraged by the "H₂ Taranaki" initiative.

Two major initiatives are proposed:

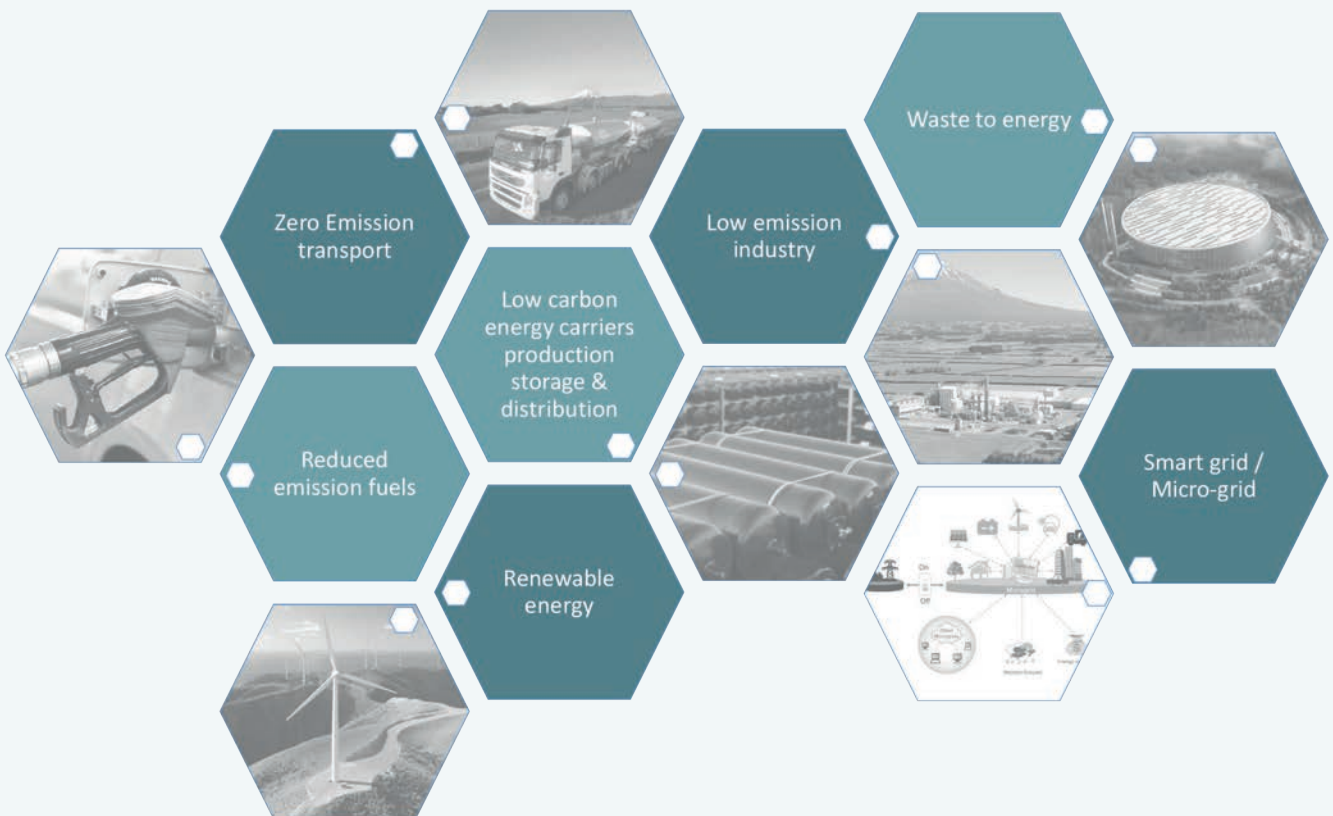
CLEAN ENERGY DEVELOPMENT CENTRE

Establish a New Energy Development Centre in the region to support new energy technology and commercialisation. The aim is to bridge the gap for new technology demonstration and scaling which is challenging within existing innovation and commercialisation programs due to longer timeframes and capital requirements. The Centre will partner with local industry to create a testbed environment for national and international energy research demonstration and commercialisation.

HYDROGEN ENERGY ECOSYSTEM - "H₂ TARANAKI"

Establish a hydrogen-based energy ecosystem for the demonstration of zero emission transport solutions for heavy transport, renewable energy storage solutions, industrial feedstock and heating, and the export of renewable energy. The initiative will enable aggregation of demand, and development of public infrastructure, that will provide a platform for scaling and participation in international supply chains. The initial focus would be on the development of refuelling infrastructure and piloting of hydrogen transport solutions. The initiative includes provision of initial infrastructure to connect the region to other planned hydrogen projects and demonstration of a rail transport solution.

A rapid programme of development is envisaged to ensure that Taranaki remains at the forefront of not only domestic, but international development in this space.







CONTRIBUTION

POPULATION	Mod.	In the first instance Energy Futures will likely attract a relatively small number of technically capable people doing specialist work, but as the programme scales up, a broader range of skills will be required, attracting people to the region.
GROSS DOMESTIC PRODUCT	High	The contribution to GDP will potentially be very significant. The industry will not only supply Taranaki, but a New Zealand and export market. The contribution will be measured in decades, not years.
JOBS	Mod.	Initially creating new jobs in the low emissions renewable industry will help offset job losses in the traditional energy sector. If the sector achieves the scale anticipated there will be a steady growth of jobs.
HOUSEHOLD INCOMES	High	This industry has the potential to attract high salaries that will feed into the local economy and boost the average household income.

SUCCESS

There is a potential double benefit here. Not only will the new industry attract investment, enterprise and jobs, but it will increase the resilience of the energy industry in the region. Without this initiative the assets of the industry, including people, will gradually relocate to other parts of the world when activity levels in the existing industry fluctuate and gradually decline.

These initiatives will also have significant reputational benefits in international markets. It can brand the region as technically advanced, sustainable, clean and green, thereby assisting in the marketing of other products and services.

Other success statements:

- Continued high labour productivity resulting from high capital investment and a highly skilled workforce.
- Support for a local technology and enterprise culture.
- Clustering of STEAMID skills and application of the Eight Emerging Technologies, which can feed into other industries and developments.
- Businesses, large and small find a place in the sector.
- The number of New Zealand-based SMEs trading internationally in this sector increases.
- Export of renewable energy, and low emission energy technologies, products and services.



BUILDING BLOCKS

CAPITAL AND FUNDING	✓	Energy Futures will require investment well beyond the scale available in the region, but there are a lot of attractors to investment in the region, notably the experience and infrastructure already in the region.
ASSETS	✓	While new infrastructure and assets will be required, the existing energy industry and all its components, are a major asset for this development.
SKILLS	~	There is substantial experience and skill at all levels of the sector. Some retooling and reskilling will be required, but off an advanced base.
KNOWLEDGE	✓	Technical and scientific knowledge appropriate to the renewable energy sector would require building, but from an already developed base. International connection will be vital.
LEADERSHIP	✓	Sufficient leadership to mount this initiative exists, but quickly broadening the base of leadership will be vital.
MARKET	~	The market for low emission technologies is emergent and it is not yet clear what way it will go. The attitude of the New Zealand Government and other sovereign governments in the next five years will be vital to how this area unfolds. Global commitments to low emission and renewable energy solutions are strong and growing. Large international markets are emerging – China, US, Japan, Korea and Taiwan.
CONNECTION	✓	Digital connection and capability will be vital. At present this capacity is developing sufficiently quickly to meet the immediate needs of an Energy Futures sector. This must continue.

RISKS, CHALLENGES AND SOLUTIONS

- These are high risk and high reward initiatives. To enter this industry is likely to be a roller-coaster ride in an emerging sector.
- The direction of the renewables industry is going to be strongly influenced by international trends and developments. Not all the “cards will be in our hand”. We will have to play “our hand” very well.
- Attracting and retaining talent will be a challenge. Lifestyle values will very much come into play.
- The initiatives require significant central government support coordinated via multiple agencies.

LEADERSHIP

This programme will not succeed without the active involvement of the current broader energy sector, and that is not assured. If this sector does not have the appetite, then progress would be difficult. It must be recognised that it may be a challenge for the larger investors in the existing sector to be actively involved in certain initiatives as they may not align with their current business activities.

Leadership will not just involve the people at the top, but the scientists, technicians, engineers and operators at all levels. Small enterprises that can

contribute consultancy and componentry will also be vital.

These initiatives involve the transition of the sector to a new paradigm. As such these initiatives should be positioned as experimental - Taranaki as a test-bed – with wider application. This will hopefully attract international interest which will assist in sustaining the programme.

INVESTMENT

Assembling a stable financial package will be vital to success. This may prove challenging. The investment package required will be complex and take time and skill to bring together. The scale of the investment required will be significant with specific government contributions required at an early stage, estimated at \$36m over a minimum of five years for both elements of the programme. It is anticipated that ultimately a private to public investment ratio of 4:1 is expected based on similar initiatives overseas in similar economies.

Potential investors are: current large energy players, new international players, SMEs in energy and associated industries, Government as part of its climate change initiatives and iwi seeking to take a position for Māori in the sector.



ACTIONS

IMMEDIATE Priorities for for the New Energy Development Centre:

- **Proposition development**
 - Map current regional capabilities and resources.
 - Map current industry research links – NZ and international.
 - Confirm research and development technology themes.
 - Identify initial projects and potential funding sources and in-region partners.
 - Engage with other applied research and development initiatives in NZ and overseas.
 - Engage with research institutions in NZ and Callaghan Innovation.
 - Ensure alignment with Tapuae Roa and coordination with other actions including innovation hubs.
- **Preparation of a detailed development plan**
 - Detailed assessment including costs and shareholder/stakeholder indications over a five to 10 year period.
 - Governance, operational guidelines, key roles, and staffing.
 - Secure core funding commitments and investment for the first five years of operation.

MEDIUM TERM Priorities for for the New Energy Development Centre:

- **Establish the Centre**
 - Appoint initial Board.
 - Hire CEO and agree initial budget including staff, overheads and project funding if applicable.
- **Commence operations**
 - Identify research and development themes with greatest potential impact for the region.
 - Develop a new energy opportunity funnel – a list of technologies that have the maturity for test/pilot deployment.
 - Create a technology maturation roadmap, aimed to mature researched technology into pilot/full scale development.
 - Identify partners and resources and regional competence gaps in supporting new energy opportunity funnel. Facilitate commercial partnerships for deployment of technology testing.
 - Link Taranaki companies to national and international research capability.
 - Attract international projects and funding to the region.

ACTIONS



IMMEDIATE Priorities for the "H₂ Taranaki" Hydrogen Ecosystem initiative:

- **Proposition development**
 - Business case development for initial "H₂ Taranaki" projects with district and regional councils and central government to develop a roadmap for H₂ adoption in Taranaki .
 - Connect with other countries and regions to understand progress, learnings, and opportunities to work together.
 - Participate in MBIE led initiative to establish a New Zealand Hydrogen Industry Association.
 - Agree administrative and governance structure, and funding plan.
- **Establish administrative and governance structure**
 - Appoint independent directors to oversee the establishment of the administrative and governance structure, branding and marketing, and detailed project planning.

MEDIUM TERM Priorities for the "H₂ Taranaki" Hydrogen Ecosystem development:

- **Execute base scope projects**
 - Fuel Cell Electric Vehicle (FCEV) bus fleet for New Plymouth and regional/district council light vehicles.
 - Combined power and back-up generation for regional infrastructure.
 - Materials handling demonstration.
 - Medium commercial vehicle fleet hub.
 - Heavy commercial vehicle fleet hub.
- **Develop expanded scope projects**
 - Inter-regional infrastructure.
 - Regional and inter-regional transport services.
 - Rail project demonstrating replacement of diesel locomotives for regional freight.
 - Marine project leveraging Taranaki's marine architecture and shipbuilding capability.



FOOD FUTURES

OPPORTUNITY

Food production is the backbone of most New Zealand regions and Taranaki is no exception. The opportunity is to leverage new directions off established industries. Food Futures involves the acceleration of the production of high-value branded food items for domestic and international markets. Examples include niche meats, specialist dairy products, functional snacks, Mānuka, botanicals, 'new crops', and others.

The broader opportunity is to accelerate a Food Futures ecosystem in Taranaki given the growing pool of food production companies and new enterprises interested in creating market-led branded products.

These initiatives would be supported by the promotion of a Taranaki 'food story' which would place the full range of food production and manufacturing into a regional context – Taranaki as a progressive food region.

There is also the opportunity to take the initiative "upstream" to the farm, and enhance productivity and profitability through developing practice and encouraging diversification. This is somewhat broader than food and would include forestry, in line with the priorities of the new government.

CONTEXT

Taranaki has an extensive primary industry with traditional sheep, beef and dairy production, together with more recent industries such as poultry and Mānuka honey. It has processing plants for all these products such as Fonterra, Silver Fern Farms, ANZCO and Tegel.

Food production contributes \$340m to Taranaki's economy and 4,300 jobs, representing half of Taranaki's manufacturing base. Taranaki is good at producing protein.

The Food Futures area adopts a value chain approach – leveraging from pasture to plate. This can be seen as stretching across the value chain from a "Farm Futures" to a "Food Futures" concept with integration at all stages.

While extensive product value-adding is already occurring, significant opportunities remain to reduce the proportion of product sold as commodities or 'ingredients' and instead increase the proportion of niche, innovative, branded products capitalising on consumer trends and new dimensions in, for example, packaging and delivery channels.

Providing branded products leads to differentiation of products beyond their functional attributes, to secure a more sustained competitive advantage (than price and volume) and position in a higher price bracket for the product than the generic brand.

The ambition in Taranaki is to further 'transform ingredients' locally, rather than necessarily produce more of them.

Beyond the strengths in the larger industries there is an increasing number of small, agile and innovative locally-owned food production companies adding diversity in areas such as coffee, honey, craft alcohol, fresh produce, specialty chocolate and baked goods.

To accelerate this development a strong focus is required on the pipeline of support of innovation and R&D, new product development, specialist skills and assistance with implementation. This kind of ecosystem does not exist in Taranaki to a significant extent although relationships are strengthening with CRI's and Universities such as NIWA, Scion and Massey, and via the business advisory work of Venture Taranaki and the interface with Callaghan Innovation.

Collaboration also builds momentum and critical mass. The Taranaki Honey Collective and Taranaki Food Producers Group are embryonic clusters that are ripe to be taken to the next level.

Major food production opportunities, which have been identified through global market scans, have the capacity to build on Taranaki's competitive advantage, and could be progressed through feasibility analysis and prospectus development.

Farm Futures is about boosting profitability, productivity and entrepreneurial farm-food ventures that would provide the raw material for Food Futures. This involves the alignment of farm production with changing food processing practices and strategies to enhance productivity and profitability. Value chain connectivity is pertinent given the increasing premium placed on product origin, and its interface with environment/sustainability, care of animals, authenticity and traceability.

These initiatives will extend to the sustainable use of land and associated natural resources, the accelerated planting of trees to reduce erosion, protect waterways and foster the creation of carbon sinks plus the development of new value-add propositions, including new crops and capitalising on microclimates.

Ngā Iwi o Taranaki are focused on ensuring that future food production is aligned with our sustainable environment aspirations that protect our waterways and coastal areas where our traditional food sources are under threat. Foods including eels, whitebait and seafood are kai that have sustained our people and need to be managed for all future generations.





Together the Food Futures initiative involves four elements:

- **Taranaki Food Network**
Establish a connection point for the Food Futures ecosystem, probably co-located with one of the Talent, Enterprise and Innovation hubs, with a product design and enterprise development capability to support the establishment of food manufacturing and production programmes. It would be surrounded by an industry cluster.
- **Major new ventures initiative**
Activate major food production opportunities capability including experimental cultivation of new plants, crops and agricultural systems, and value-add food propositions with potential to expand the Taranaki offering. This will involve mobilising 'tight teams' around future food opportunities, undertaking market scans and identifying priorities.
- **Telling the Taranaki story**
Building a programme of marketing and communication that ties back to the Food Futures programme. The brand is a "Taranaki that is taking Food Futures to the market and to the world". It may involve the development of a Taranaki food brand, but first and foremost it is a brand about a region modernising its offering to the world. Like the broader Taranaki story, it is about making Food Futures happen.
- **Farm Futures Acceleration**
This is a programme of knowledge and technology transfer linked to the broader Food Futures initiative that focuses on improved productivity and profitability as well as new ventures.

Visualising the Future

Food Futures is a brand and an outcome for a progressive food producing industry in Taranaki. It is not a consumer brand, but a regional development brand.

A Food Futures Food Network would be the beating heart of an enhanced Food Futures ecosystem in Taranaki.

Half virtual, half actual, the Network will likely be a place – a hub – but also a virtual network transmitting knowledge and connecting the Taranaki food ecosystem to other networks around the country and around the world. These networks might be production, science, marketing and product development focused.

The Network will connect development work in the larger companies in Taranaki and also the small innovative ones, from plant-based processing to on-farm production. The Network will be a strong and integrating source of leadership, capability and ambition.





CONTRIBUTION

POPULATION	Mod.	This is envisaged as an incremental programme, so benefits such as population will also be incremental though steady.
GROSS DOMESTIC PRODUCT	High	Food Futures will contribute at many different levels of the economy creating positive multipliers.
JOBS	Mod.	A combination of capital and skills investment will be required. It will produce better quality jobs rather than a large number of new jobs. Many will be in SMEs.
HOUSEHOLD INCOMES	High	The focus of this programme is on gaining higher value. The rewards from this will flow through into household incomes.

SUCCESS

The real success of this programme will be to continue to gain increasing returns from primary industries where production is being limited by finite environmental capacity. By moving up the value chain and diversifying the offering, premiums will be possible.

Other success statements:

- Farmer confidence will grow.
- Continued high labour productivity resulting from high capital investment.
- Support for a local technology and enterprise culture.
- That the number of SMEs trading internationally in this sector will increase.



BUILDING BLOCKS

CAPITAL AND FUNDING	✓	The most significant level of investment will be at the small to medium-sized enterprise. This will be within the scope of the current availability of capital. Where corporates invest, they have their own sources of capital.
ASSETS	~	Without specific developments confirmed it is difficult to assess whether assets are sufficient. Asset development will undoubtedly be required.
SKILLS	~	There is no doubt that basic skills exist in the region, but they will need to be adapted and a programme of re-skilling, often at an in-service level, will be required, especially where businesses are upscaling from the start-up phase.
KNOWLEDGE	✓	An innovation and enterprise attitude of mind will be required at all levels, and there is evidence of this in the region. New knowledge, skills and practices will be required, and the region will need to draw on sources such as universities, CRLs and the national and international food networks.
LEADERSHIP	✓	Committed leadership will be vital, together with a strong vision. Supportive attitudes of the major players to this "Future" will be vital.
MARKET	~	The market for new foods is expanding rapidly in New Zealand and internationally. This initiative will need to be strongly connected to the market. It cannot solely be a production-led initiative as has been the case in the commodity market. This will require a changed mindset.
CONNECTION	✓	This initiative is heavily dependent on digital connection and capability at all levels – production, processing and marketing. The Network will have a strong virtual element to it. At present this capacity appears to be developing sufficiently quickly to meet the immediate needs of the sector and that pace of advance must continue.

RISKS, CHALLENGES AND SOLUTIONS

- There is a lot happening in the food industry in New Zealand and around the world. Taranaki could get lost in the welter unless it identifies priorities and focuses on them.
- This initiative is very dependent on trade relations and access to markets. Developments such as the Trans-Pacific Partnership may help in this regard, but risks remain.
- Advances as proposed will require active collaboration in an environment which is currently strongly siloed at both the production and processing levels. Without engagement in clusters and mutual support, progress will be slow.
- Some other regions of New Zealand are ahead of Taranaki in this space. This poses a potential advantage and a threat. First mover advantage will not generally be available.
- Operating on-farm and in processing means that a complex array of projects may be required making it a difficult project to mount and maintain.

LEADERSHIP

Programmes such as the Red Meat Profit Partnership have shown that there are gains and limitations to nationally-initiated programmes. Change, of the

nature being contemplated, is more likely to succeed at the regional level built around established relationships and systems. However, at a regional level leadership resources are thin and need to be carefully developed.

Leadership will arise not just in large organisations, although that is important, but also through small enterprise development, both on the farm and in the 'factory'. The blend of these two levels of activity is important to success.

One of the challenges will be to know when an idea is unlikely to succeed and needs to be abandoned to avoid the wastage of scarce and valuable resources.

INVESTMENT

The potential investors are:

- Current large food processing organisations.
- Possible new international players, either establishing or outsourcing to Taranaki.
- Business – SMEs in food processing and farming.
- Government – particularly on the farming side of the equation.
- Iwi – opportunities for the development of new food products.



ACTIONS

IMMEDIATE Priorities for a Taranaki Food Network:

- **Feasibility and proposal development**
 - Detailed assessment of a Taranaki Food Network and ecosystem development including a review of costs and shareholders/stakeholders over a five to 10 year period.
 - Preparation of a detailed Food Futures development plan as a basis for committing investors to the programme.
 - Commitment of investors.

MEDIUM TERM Priorities for a Taranaki Food Network:

- **Establish the Network**
 - Identify appropriate structure and establish a legal entity if required.
 - Establish an initial governance structure.
 - Hire a Programme Coordinator and staff, as required.
- **Commence operations**
 - Establish a website forum.
 - Host major Food Futures events.
 - Map CRI, university, food lab connections and international research touchpoints.
 - Identify branded food pipeline.
 - Undertake trade missions to key markets and showcase at trade events.
 - Assist with industry connections, networks and clusters.
 - Identify and help resolve barriers to growth; accelerate ecosystem development.

IMMEDIATE Priorities for Major New Ventures:

- Review major 'future food' regional opportunities from existing feasibility work and market scans, including potential value-add from further conversion of commodities.
- Prioritise, form tight teams, initiate early stage actions.
- Seek strategic engagement with Government, researchers and others on key strategic areas of interest such as alternative protein.
- Consider land and facility availability and suitability for new ventures, such as industrial parks.

SHORT-MEDIUM TERM Priorities for Major New Ventures:

- Continuation of the above. Market scans of new opportunities, shortlisting and formation of tight teams.
- Undertake feasibility, pilot studies, prospectus development, investor approach and form cluster developments as appropriate to progress major opportunities, as identified.

ACTIONS



IMMEDIATE Priorities for Telling the Taranaki Story:

- Extend the Taranaki Food Story including collateral development, showcasing and promotion of the story, involving industry.

MEDIUM TERM priorities for Telling the Taranaki Story:

- Investigate a regional food brand and host a workshop.
- Potential development of a Taranaki food brand.

IMMEDIATE Priorities Farm Futures Programme:

- **Farmer groups**
 - Establish a regional interest group to oversee the programme.
 - Liaise with Red Meat Profit Partnership and other potential agencies/industry as partners for the programme.
 - Establish four to six groups with nine members each.
- **Forestry initiative**

Form tight team and scope initiative which could include:

 - Development of a business guide to tree planting.
 - Desktop and contact work, focused on the Eastern Taranaki hill country, on the likely climate change, soil conservation, return on investment and other benefits of expanded Mānuka and plantation timber planting and/or other planting options and merits, development of enhanced information and incentives.
 - Investigation of complementary crops which could be developed in conjunction with forestry to generate even further financial returns and benefits would be undertaken.
 - Investigation and progress of value-added opportunities associated with forestry and trees including innovative food, medical, nutraceutical or broader product developments and applications.
 - Implementation of the forestry value-add initiative as outlined.
 - Some of Ngā Iwi o Taranaki are considering the potential of forestry on their tribal lands.

MEDIUM TERM Priorities Farm Futures Programme:

- **Crops/Climate change:**
 - Investigate Taranaki's land use and microclimates for potential new crops, including botanicals, with commercial market potential, food or medical and/or crops with the ability to advance environmental goals.
 - Promote the opportunity and assist with feasibility work to respond to investment interest.
- **New Farm Ventures:**
 - Explore new potential farm-food ventures which have the potential to add growth, value and diversification to farming in Taranaki, e.g. niche meats, sheep dairying, smart use of resources such as water and energy, etc. Collate information, host workshop(s), form interest group(s) as appropriate to progress.
 - Investigate scope and potential expansion of future farming demonstration properties to showcase and trial new ventures and agri-systems.





MĀORI ECONOMY FUTURES

OPPORTUNITY

Ngā Iwi o Taranaki have occupied the lands around Taranaki Mouna for hundreds of years. They remain an autonomous, independent and self-governing group of hapū with authority over their lands and assets, cultural identity and tikanga, and the power to determine their collective and individual future.

Each of the eight iwi have strong identities that their respective whānau identify with, reflecting values, interests, skills and behaviours. The adaptable and hardworking nature of whānau, richness of history, and strength in cultural identity, can be leveraged to achieve positive cultural outcomes and social well-being, and generate new avenues of economic growth, not only for Māori but for Taranaki. This is the opportunity.

CONTEXT

There is a real opportunity for Taranaki Māori to express their culture and aspirations in ways that will benefit the wealth and wellbeing of their people and Taranaki as a whole.

There are four workstreams for this to happen:

- **Multi-modal education** - fit for purpose education at all stages of the education system; training and enterprise capability development which will grow a generation of young Māori that can contribute to cultural wealth generation and economic growth in high-value and high-skilled ways.
- **Enterprise development** – a well thought through and executed enterprise education and development plan aimed at having a direct impact on participating whānau and their wellbeing. In particular, this involves the development of progressive and competitive Māori enterprise enabled through the internet and global marketplaces.
- **STEAMID**³ – investment in the ability of Māori to be employed in higher-value and future-focused industries through targeted and tailored education and training which will lead to a generation of young adults who can operate in a modern world.
- **Village centres** - renewal of village centres to create environments of prosperity, learning and exchange with good internet connectivity.

Success in these workstreams will allow Māori to contribute to and benefit from the future-focused industries of Taranaki and highlighted in this action plan – Food, Energy and Visitor Sector.

Visitor Sector Futures activities may include cultural and environmental tourism, as there is great aptitude, and many initiatives underway that can see Ngā Iwi o Taranaki become cultural and environmental leaders. These could include the mouna great walks, a peace centre based on Parihaka, pā, coastal and war sites that are all places of cultural significance. There is also an opportunity for Ngā Iwi o Taranaki to show case Project Mouna and sustainable forestry management, both as a national exemplar of pest eradication and contributor to the climate change response effort, as well as a case study of using cultural environmental sustainability frameworks.

Food Futures may involve Māori organisations like Parininihi ki Waitotara who are looking to build capability in land utilisation diversification and organic farming, with opportunities surfacing in new products like Mānuka Honey.

In Energy Futures Ngā iwi o Taranaki see value in collaborating with the energy sector and government to ensure sustainable methods in energy production and extraction.

With regard to Talent, Enterprise and Innovation, physical hubs in Taranaki would reflect the emphasis on developing social cohesion through shared experiences as people learn together, build confidence and help each other in a group learning environment. It would be an opportunity to provide fit-for-purpose multi-modal learning, particularly to those committing to a second chance at their education.

³ STEAMID- SCIENCE, TECHNOLOGY, ENGINEERING, ARTS/DESIGN, MATHEMATICS, INNOVATION, DIGITAL



CONTRIBUTION

POPULATION	High	The intent is to attract and retain people in all parts of Taranaki. Retention of Māori in their iwi areas and the attraction of whānau back to these areas with the prospect of employment and enterprise would have a significant impact on population.
GROSS DOMESTIC PRODUCT	High	The focus is less on establishing large corporate entities and more on small enterprises in niche business areas. This will help expand the small business foundation of iwi and the Taranaki economy.
JOBS	Mod.	Developments in this sector will be incremental. It will contribute to jobs in the same way.
HOUSEHOLD INCOMES	High	The focus of this initiative is to strengthen the economic base of iwi. In many “village” areas Māori are starting from a low base of household income and this initiative could make a significant contribution to its growth.

SUCCESS

The vision of success is that Taranaki Māori employment, household income and business ownership rates will equal or exceed those for New Zealand.

Other success statements:

- The values of kaitiakitanga and connection to the land grow and strengthen.
- Strong regional cohesion.
- An emerging mindset of courage, confidence and passion.
- Equal access to and awareness of opportunities.
- Stronger inter-generational perspectives.
- Increased partnerships between Māori and those that respect Māori values and aspirations.

Visualising the Future

Māori Economy Futures is a way of thinking about the future directions of Māori economic development in the region.

It acknowledges and builds on the existing development work by iwi and incorporations.

It involves a focus on people and place. The people focus is largely on younger people, drawing them through into the modern internet-based economy. The place is the towns and “villages” where iwi members reside, and the regional towns and cities.

The focus is on education development particularly of contemporary technical skills and transferring these skills into the development of products and services that can be marketed in the region and internationally through the internet.

Māori Economy Futures is a long term initiative to build economic momentum for iwi-based young people enabling them to participate in the modern market whilst remaining located in traditional tribal areas.



BUILDING BLOCKS

CAPITAL AND FUNDING	✓	Initially it will be difficult to attract private funding and the programme will rely on public and iwi funding. As enterprise emerges and especially if it is based on STEAMID skills, then investment may gradually transition to private sources. The most significant level of investment will be at the small enterprise which should be within the scope of the current availability of capital.
ASSETS	~	The key assets required to make this programme happen is the establishment of the network of hubs and their adequate digital connection. This will require the building and re-purposing of community assets.
SKILLS	~	Limited and restrictive mindsets may be a challenge. The programme will require investment in telling stories to motivate, inspire and engage youth. It will also require connection with people from a young age so they operate in a positive and progressive frame of reference.
KNOWLEDGE	✓	The pool of knowledge in the Māori sector about how to undertake enterprise development at an iwi level is growing. There are some good role models and examples.
LEADERSHIP	✓	Leadership from within Māoridom will be vital and partnership with the broader Tapuae Roa programme will be required. There is a strong sense of purpose amongst Taranaki iwi.
MARKET	~	This proposal relies heavily on Māori enterprises being able to establish domestic and international markets through the internet. There is no doubt that this marketplace will grow rapidly, but there will be a learning process for how to exploit it. Development will take time.
CONNECTION	✓	This initiative will be heavily dependent on connection at all levels – digital, internet and all modes of transport.

RISKS, CHALLENGES AND SOLUTIONS

- This initiative is very dependent on a significant input of public investment for it to become established and gain momentum. There needs to be a willingness by public investors to do this.
- The need for leadership is self-evident, but the need for effective operational management is as important. The hubs, the programmes within them, connection between the hubs and connection to outside resources will require effective management.
- This programme is going to require a long-term view and persistence of endeavour for it to succeed. All parties will need to be aware of this before entering into it.
- Alignment amongst Ngā Iwi o Taranaki will ensure the vision is constantly reviewed allowing iwi to determine how they can best lead the direction of the Māori Economy.

LEADERSHIP

The primary control of this programme needs to rest with iwi. It is proposed that responsibility for the governance and oversight of this plan is to be assigned on a waka-based structure complemented by Māori business interests. This model will ensure a broad mix of iwi and values based leadership, alongside an economic growth perspective, with current industry and sector based and knowledge. The Taranaki Māori business network will bring an important element of experience and insight to the Māori economic action area. This model also ensures that there is a broad enough group to

share the responsibilities of governance are carried out effectively.

INVESTMENT

As important as the scale of investment is, the long term consistency of it is even more vital. There will be a need for consistent public investment to ensure the backbone of the programme remains strong. This will be supported by iwi investment.

The public investment where possible, should involve refocussing existing investment such as in the education system and tertiary education.

There will need to be a strong emphasis on accelerating enterprise development because that is the avenue through which private sector funding is most likely to enter the programme.

The potential investors are:

- Central and local government and iwi – support for the physical hub development.
- Government/Te Puni Kokiri – support for the hub operations.
- Iwi – investment into enterprise development activity.
- International investment – introduction of international players.
- Business – investment in SMEs in food processing, energy and the visitor sector.



ACTIONS

IMMEDIATE Priorities for Māori Economy Futures:

- A stocktake of iwi economic plans to identify alignment or possible alignment with Māori Economy area opportunities.
- A current state analysis of individual communities and workshop to design activities they can contribute to and support the delivery of action plan initiatives.
- Early contact with investors and/or partners for funding and identification of funding models.
- Each of the four work streams will require strategy and planning, and data collection e.g.:
 - **Physical renewal:**
 - Stocktake and workshop to determine current physical and non-physical facilities and services in the region.
 - Local/national/international study tours of innovation hubs and centres of excellence.
 - Identify potential pilots.
 - **Enterprise:**
 - Stocktake and workshop to determine current state and desired state for Māori enterprise.
 - Identify what's in the market by way of grants/possible partnerships/startup scale up support services – identify gaps and good practice.
 - Identify potential pilots and design new services according to findings of data collection.
 - **Multi-modal education:**
 - Stocktake and workshop to determine current state and desired state for education in the Taranaki region.
 - Local/national/international study tours to explore multi-modal models of education delivery and curriculum.
 - Identify potential pilots and design of new curriculum.
 - **STEAMID:**
 - Stocktake and workshop to determine current state and desired state for STEAMID education and enterprise.



ACTIONS

SHORT TERM Priorities Māori Economy Futures:

- Begin to design and embed curriculum in ECE, Primary and Secondary schools (story, history, connection, enterprise, STEAMID). There should be a test ground so that a final model can be refined and perfected.
- Establish forums for communities to contribute to the co-design of the innovation hubs, tech labs, start-up incubators, enterprise centres of excellence. This will be an interactive, iterative and informed process to validate and test what will be fit-for-purpose for the communities these facilities will serve.
- Feasibility testing for hubs.
- Secure co-funding and investment, and key relationships and partnerships for work streams.
- Begin to deploy pilots.

MEDIUM TERM Priorities Māori Economy Futures:

The mid-term should see a collision of the ideas collected and refined from the study tours and community co-design involvement during the previous periods to begin the physical renewal programme and establishment of facilities.

- Iterate, test and refine: STEAMID curriculum, enterprise programme and multi-modal delivery of education workstreams.
- Establishment of four village centre hubs covering places of learning, enterprise and social exchange.





VISITOR SECTOR FUTURES

OPPORTUNITY

Taranaki is blessed with a combination of mountain and sea, in close proximity to the vibrant and artistically rich New Plymouth City and the strong neighbouring towns of Stratford and Hawera. The coast, Coastal Walkway, Pukekura Park, Taranaki Mouna and the connection of Taranaki residents and iwi with these features anchor the region's stories, images and pride. At the same time, the region is a little 'out on the edge'. This is reflected in the need for a conscious visitor decision to turn west from the more beaten track. As a result, the return from visitor sector enterprise is well below what it could be.

While the overall performance of the Taranaki visitor sector has improved recently, its long-term performance has lagged behind national growth rates. The recent growth in visitation, which has bucked this negative trend, needs to be sustained. International visitation to the region in the year ended December 2016 was up by 26.5 per cent and domestic visitation was up by 7.6 per cent. This is well ahead of the national growth of 11.8 per cent (international) and 2.6 per cent (domestic) respectively. Overall visitor expenditure increased by five per cent for the year ended January 2017.

The challenge and opportunity for Taranaki is to sustain this recent upward swing. Increasing the number of visitor nights and expenditure in the region, through expansion of the range of visitor sector opportunities available, is one sure way of adding depth to the economy.

Having more things to do which are monetised is another challenge. Equally important is securing additional funding to further invest in new visitor experiences, market development and in other 'enabler' actions to help visitors choose to visit the region.

CONTEXT

The scenarios for growth in the volume of visitors spending to Taranaki range from a one per cent average to a 10 per cent average increase per annum.

Two per cent growth is achievable by continuing with current product and market development initiatives.

Four to five per cent growth is achievable with small to moderate increases in the budget provided for supporting and growing the capacity of the Taranaki visitor sector and as a result of on-going market development initiatives.

Achieving a 10 per cent increase in spending every year between now and 2025 would result in:

- Doubling of the visitor expenditure from the current \$340m to around \$750m by 2025.
- An increase in visitor guest nights from the current 2.1m to 4.4m by 2025.

A 10 per cent growth per annum target is possible but it would require a significant boost to both sector capacity and market development budgets e.g. doubling current budgets. In addition, it would require investment in several new iconic attractions. The funding to achieve a 10 per cent growth target may be difficult to secure, particularly as most of it is likely to be required from local and central government.

This Action Plan therefore recommends adoption of an aspirational 7.5 per cent growth target. Achievement of 7.5 per cent regional annual cumulative growth, every year between 2017 and 2025 and beyond, is a sufficiently challenging target to be a worthy objective.⁴

⁴ VISITOR EXPENDITURE HAS GROWN FROM \$291M IN 2009 TO \$340M IN 2017, OR TWO PER CENT A YEAR.



CONTRIBUTION

POPULATION	High	The visitor sector industry is labour-intensive, particularly in its hospitality dimensions, and is likely to attract new people to service the industry. It also has a bias to young people and that is desirable for the region to add balance to the population.
GROSS DOMESTIC PRODUCT	High	The scale of the increase envisaged will have a significant impact on GDP.
JOBS	High	Development in this sector will create a significant number of jobs.
HOUSEHOLD INCOMES	Low	Wage rates are at the lower end of the spectrum in the visitor sector, although the industry may well supply the second job in a household which would boost the overall household income.

SUCCESS

The 7.5 per cent growth target is aspirational. Indicators of success would include:

- The Taranaki Crossing is funded and developed.
- More monetised services, products and experiences are evident.
- More domestic and international visitors come to the region.
- More expenditure is made in the region by these visitors.
- More permanent skilled workers and residents service the needs of these visitors.
- Visitors stay in the region for longer periods of time.
- All current visitor sector strengths are fully capitalised upon.
- There is an active programme of market development.
- More investment has occurred in accommodation and servicing and there is more focus on higher yielding visitors.
- Two additional iconic events take place in the region each year.

Visualising the Future

Visitor Sector Futures is both an economic development brand and a way of thinking.

The visitor and tourism industry is an established industry with mature offerings and strong connection with international markets.

The opportunity for Taranaki is to take advantage of the national and international market connections and to develop an offering that is

distinctive to the region so that it becomes more of a destination in its own right.

The distinctiveness is the combination of culture and landscape. The Mounga dominates the region for Māori and non-Māori alike. The Future is the continued enhancement of that connection both for local culture and lifestyle, but also for the attraction of visitors.



BUILDING BLOCKS

CAPITAL AND FUNDING	✓	Of the Four Futures in the Tapuae Roa Action Plan, the visitor sector involves the least investment risk, except perhaps for the scale of increase sought, which is ambitious. The visitor sector is a good bet for investment because the value chain of the industry, both international and domestic, is well developed and risks are low.
ASSETS	~	While much of the growth will come from acceleration of supply of visitor sector facilities (events, activities, accommodation, etc), several major additional visitor sector assets would make a significant difference to the industry in the region, such as the Taranaki Crossing.
SKILLS	✓	Of all the possibilities explored in the development of Tapuae Roa, the visitor sector has the potential of the most immediate contribution. There is a strong sense of readiness in the region for development of the sector.
KNOWLEDGE	✓	The knowledge and understanding of the industry is easily sufficient in Taranaki to provide a strong base for further development.
LEADERSHIP	✓	There is long term experience in the visitor sector field in Venture Taranaki and an established industry. The fundamentals of the industry are strong.
MARKET	✓	There is strong market activity in the visitor sector nationally and with the right products it is likely Taranaki could easily connect with it.
CONNECTION	✓	This initiative will be heavily dependent on connection at all levels – digital, internet and all modes of transport.

RISKS, CHALLENGES AND SOLUTIONS

- The foundation of the industry is built on small enterprises. The same will be true of future growth. Additional assets like the Taranaki Crossing, will be a vital addition, and these will require significant public funding commitment.
- Road access can be challenging and time-consuming. Upgrades to major access highways are vital to support industry growth.
- Greater clarity around the destination proposition and the linkages of this with international markets is required. Differentiation from other regional offerings is required.
- Revenues are severely curtailed without commissionable product. The high number of 'free' experiences limits revenues.

LEADERSHIP

To be successful Visitor Sector Futures needs to be supported community-wide, because it is going to require a whole-of-community response.

Leadership on the development of particular attractions will be required. A major iconic attraction such as the Taranaki Crossing is required to stimulate the whole regional offering.

Close alignment with local community organisations is also important. For example, local walking and mountain biking enthusiasts need to be involved in the development of new routes because voluntary

effort and tolerance of increased traffic on such routes will also be required.

Engagement with iwi is an important part of the puzzle. This has the potential to produce unique attractions such as the mooted peace centre based on Parihaka. The cultural dimension to the visitor sector in the region will help with differentiating it from other regions.

Leadership of environmental enhancement as part of the overall presentation of the region is important to both locals and visitors.

INVESTMENT

At the 7.5% level, the scale of investment required is considerable as is its long-term consistency.

Potential investors are:

- Central and local government – provision of adequate roading and walking/cycling tracks and major new assets or extension of existing assets. Local government and industry investment in destination marketing will be vital.
- Iwi – provision of strong cultural attractions and access to unique areas associated with the mountain.
- Business – investment in SMEs in accommodation, hospitality services and visitor sector attractions.



ACTIONS

IMMEDIATE Priorities for the Visitor Sector Futures:

- **Core actions:**
 - Development of a project to deliver the Taranaki Crossing.
 - Development of a project to significantly upgrade the North Egmont Visitor Centre.
 - Introduction and delivery of an enhanced events programme.
 - Upgrade of Taranaki Cathedral – Church of St Mary's.
- **Enabler actions:**
 - Refining how the Taranaki Destination is best communicated to the domestic and international visitor markets.
 - Expanding the depth of relationships which already exist between Venture Taranaki and Taranaki local authorities and visitor sector operators.
 - Applying an inter-council collaborative approach to the management and provision of services for freedom campers.

SHORT TERM Priorities for the Visitor Sector Futures:

- **Core actions:**
 - Build additional walkways and cycleways.
 - Advance the Puke Ariki and cultural heritage and identity developments.
 - Extend the offerings of the Len Lye Centre.
 - Establish Drive journeys.
 - Enhance garden experiences.
 - Develop eco-tourism product.
- **Enabler actions:**
 - Expanding the range of market development initiatives including enhanced funding support for destination marketing and major event attraction.
 - Seeking out more commissionable product and developing more joined up itineraries.
 - Preparing a digital sector plan.
 - Expanding the relationship that already exists between Venture Taranaki and non-Taranaki visitor sector organisations and agencies.
 - Assisting iwi to develop their capacity to participate in the visitor sector.
 - Resolving visitor pressure on infrastructure.
 - Providing a policy and regulatory environment which anticipates visitor sector projects, service and experience needs.
 - Building the capacity of visitor sector businesses.
 - Applying programmes aimed at improving community awareness and support for visitor needs.

ACTIONS



MEDIUM TERM Priorities for the **Visitor Sector Futures:**

- **Core actions:**
 - Develop the peace centre based on Parihaka.
 - Develop rural experiences.
 - Develop the Tawhiti Museum.
 - Develop experiences at the Port.
 - Expand the offerings of the creative and artisan sector.
- **Enabler actions:**
 - Expand the TSB Stadium for use for a wider range of events.
 - Explore further opportunities to grow the Taranaki Cruise Sector.
 - Improvement of accessibility and connectivity within and to Taranaki.
 - Improve the efficiency of the i-SITE operations.
 - Providing for town and city centre refresh and identity.
 - Reopening of Yarrow Stadium as soon as possible.





THE 4 FOUNDATIONS





TALENT, ENTERPRISE AND INNOVATION

OPPORTUNITY

Taranaki, despite suffering many of the limitations common across regional New Zealand such as geographic isolation, loss of young people to tertiary education and the general drift to the cities and offshore, has done extremely well in the last few decades. Its major industries have attracted sufficient talent and investment for them to successfully build genuine regional comparative advantage.

We are now entering a period of change which will require new skills for changing industries and new opportunities. While initiatives in the Four Futures will help project the region forward, the real work will take place in the engine room of regional development – talented people working in enterprising businesses. They are the foundation of all sectors and the heart of the Tapuae Roa Strategy.

The real work will take place in the engine room of regional development – talented people working in enterprising businesses.

The skills, education and talent development sectors not only need to be more active in regional development, they need to be as nimble as possible to meet the challenges of change. New businesses will lead much of this change and they will require talent that can be enhanced on the job, on location and less so in a remote classroom.

In addition, the regional economy needs to move into the digital and internet age and take advantage of the opportunities created by these technologies. That means people with contemporary technology-based skills and digitally enabled businesses.

TALENT, ENTERPRISE AND INNOVATION

CONTEXT

Businesses, cities and regions are in a global war for talent. Some regions see this more clearly than others, but a cursory look at the strategic plans for Auckland, Wellington, Christchurch and Dunedin indicate that the metro centres, at the very least, are committed to the attraction and retention of talent with a strong technology emphasis. One place they look to recruit talent is the regions.

The lifestyle experience of Taranaki is the crucial added dimension that metros cannot so easily emulate. This makes the total wellbeing package an important competitive edge for Taranaki to retain talent.

Given the limited resources for development available in a region like Taranaki, the focus of this initiative needs to be tight. Ideally all skills would be addressed, but that is not possible. The focus has to be on those specific skills required for a modern digital economy designed to open new opportunities for Taranaki. We defined these skills in two dimensions in the Tapuae Roa Strategy - STEAMID (science, technology, engineering, arts/design, mathematics, innovation and digital)⁵ and the Eight Emerging Technologies (robots, internet of things, drones, blockchain, artificial intelligence, 3D printing, augmented reality and Voice recognition).⁶

The New Zealand Productivity Commission (2017)⁷ emphasises we need a tertiary education system that is agile, not one that prohibits innovation, punishes risk-takers and reinforces existing practices. In-service learning delivery and digital delivery will become vital. Learning will need to be delivered in bite-sized modules. This will also need to include some “soft” skills. The nature of work will change in parallel with the nature of learning.

Much of the development identified in this Action Plan will emerge from small to medium businesses. They can afford neither the time nor the money to have staff away for elaborate pre-skill or re-skill programmes. They need this training to take place “on the fly”, in the business, not in the classroom. Yet much of our training and resources are built around a classroom model.

An innovation focus is required not only in learning, but across all business. Innovation creates opportunities because it encourages a state of mind that is flexible and forward-looking. Support for innovation needs to be tightly tied to the learning process and can contribute to it.

The proposal is to view Taranaki as a test-bed for talent and enterprise development involving a comprehensive and planned approach. A detailed programme of activity was outlined in the background report. It identified three key areas of development:

- Focus on and build the capability of vocational and experiential learning.
- Grow the innovation ecosystem.
- Tell our story.

In experiential learning five initiatives were identified – bite-sized learning packages, transferable skills, pre-skill enhancement, re-skilling for digital and technology and alignment between all these elements and organisations already in this space. These initiatives are designed to bridge the gap between what tertiary education provides and what businesses need and would be delivered through community-based hubs to tighten the connection to grassroots enterprise activity. This is a trainer to trainee model, rather than vice versa.

In the innovation area the Team also identified a range of enterprise development initiatives including identifying and leveraging the stock of knowledge in Taranaki, creating a culture of enterprise and developing accelerator and incubator facilities.

Finally, the “tell our story” element of the programme is about promoting what is happening in Taranaki through communication activities with the particular purpose of attracting and retaining talent to the region. Taranaki – the place where you can learn without interrupting your career and pausing your income.

For this to succeed a network of learning and enterprise hubs is envisaged across the region working in close association with businesses (of all sizes), WITT (Western Institute of Technology) and other education and business support providers (public and private) based in Taranaki.

⁵ KPMG TO TAPUAE ROA (unpublished)
⁶ PWC TO TAPUAE ROA (unpublished)
⁷ PRODUCTIVITY COMMISSION

CONTRIBUTION

POPULATION	High	Often the single factor holding people back from settling in regional New Zealand is the prospect (or not) of career advancement. Training and development opportunities at all career stages will increase regional attractiveness.
GROSS DOMESTIC PRODUCT	Mod.	The contribution of skills to GDP is indirect. The contribution of innovation would be more direct and could represent a significant area of growth in new and existing businesses.
JOBS	High	The contribution to filling and creating jobs will be strong.
HOUSEHOLD INCOMES	High	Increased skill levels are directly associated with higher income levels.

SUCCESS

The strongest idea is a sense, especially amongst young people, that if they choose to live in Taranaki they can get ahead whatever their chosen occupation. Getting ahead can mean different things – gaining more skills, achieving seniority advancement, developing a business and being successful in it.

Other success statements:

- That there is a positive attitude to learning.
- That there is a culture of learning, enterprise and innovation emerging in Taranaki.
- That the number of people interested in the STEAMID skill set is increasing.
- That business owners are finding the skilled staff they need.
- That the number of start-ups is increasing.
- That the number of SMEs trading internationally through the internet is rapidly rising.

TALENT, ENTERPRISE AND INNOVATION

BUILDING BLOCKS

CAPITAL AND FUNDING	✓	At present, too much of the capital is in the wrong places. There will need to be significant redirection of operational funding from central government towards business and at a local level. Specifically, capital funding for hubs from central government, councils, business and iwi will be crucial. This is going to take effort and determination to secure.
ASSETS	~	The principal learning institutional asset is WITT which has been through difficult times and will be required to make more change if it is going to meet the challenges in this Action Plan. It requires its "plant" to be better located (around hubs) with a focus on trainee location delivery. There are other significant and capable private training providers in the region whose contribution needs to be considered. There needs to be more emphasis on digital delivery, especially on-site in businesses. Enterprise development facilities such as shared spaces and incubator-type facilities are largely lacking across the region. Internet connections into primary and secondary schools are also vital.
SKILLS	✓	The question here is whether there are the skills in the learning and enterprise sector to turn around the product and the delivery of it. We believe so.
KNOWLEDGE	~	The proposals mooted here are very experimental. It will be necessary to bring people from outside the region to help to build the education and training knowledge base.
LEADERSHIP	✓	A high level of ambition and intent are required for success. There is ambition amongst iwi and business, and they will need to provide the lion's share of the leadership, together with WITT and other providers.
MARKET	✓	Is there a market of learners and would-be entrepreneurs who will take advantage of this learning? There are strong indications from current activities and achievements that this will not be a problem.
CONNECTION	✓	This programme is partly predicated on digital connection and digital learning. Connection is improving all the time and learning systems are also becoming available.

RISKS, CHALLENGES AND SOLUTIONS

- There needs to be a willingness of central government to take up this challenge and be prepared to fund a significant portion of the development.
- There also needs to be a willingness on the part of WITT to make the necessary changes to make this programme possible.
- Serious disagreements between educators on priorities and methods of learning.
- Financial challenges as the quantum of funds required – both capital and operational – will be significant.

LEADERSHIP

To succeed, this programme would have to receive widespread stakeholder support and endorsement. Conversely, significant stakeholders standing aside from it would create a problem. It would, where possible, have to be strongly based in evidence. This will require a long lead-in of feasibility, investigation and engagement.

Only a committed group of leaders who believe in this project and want it to work will succeed.

It is likely it will need to be seen as experimental at a national scale to get the necessary support, as many funders will be concerned about the precedents it may create.

INVESTMENT

There are five significant potential investors:

- WITT – partners in the hub developments and hub-based training.
- Ministry of Social Development (MSD) – partners in hub-based training.
- Business – SMEs, corporates, sector groups, private providers involved in hub-based training and enterprise development through in-service, shared spaces and incubators.
- Councils – partners in hub-based developments, shared spaces and incubators.
- Iwi – partners in hub-based developments.

ACTIONS

TALENT, ENTERPRISE AND INNOVATION

IMMEDIATE Priorities for Talent, Enterprise and Innovation development:

Concept and feasibility study

- Investigate the feasibility of the hub concept and each of the hubs, particularly the larger ones envisaged in New Plymouth and Hawera.
- Partner with WITT, private education providers, business and industry clusters/initiatives.
- Review of requirements for shared space and incubator services and how these would be operated.
- Map existing services and review ideas from other regions.

SHORT TERM Priorities for Talent development:

Skills assessment

- Workforce stocktake and gap analysis on current skill availability.
- Gap analysis on future skill requirements in the Futures programme and some second tier requirements.
- In doing this, take into account the Eight Emerging Technologies and the digital skills required for the future (STEAMID) and potential disruption scenarios.

Primary & Secondary education

- Review the secondary school offerings of the Eight Emerging Technologies and the STEAMID suite of subjects in light of the gap analysis.
- Connect schools (and pre-schools) to the hubs (see below) for support in providing training in emerging technologies and STEAMID subjects.

Tertiary education

- Review the offerings from tertiary institutions of the Eight Emerging Technologies and the STEAMID suite of subjects focusing on pre-skilling and re-skilling.

MEDIUM TERM Priorities for Talent development

Expand access to re-skilling and up-skilling in an enterprise context

- Create up to six multi-functional hubs around the region focusing on the Eight Emerging Technologies and the STEAMID subject with a view to filling gaps left by other providers, especially in the in-service and on-the-ground development of skills.
- Hubs - one in each of New Plymouth, Hawera and Stratford, and three others in rural areas based on Māori communities (Waitara, Opunake and Patea/Waverley are proposed).
- Use the idea of the Taranaki Futures Passport, tied to the "Framework" to identify the skills and knowledge (not just qualifications) that learners have picked up within the hubs and other settings.

ACTIONS

TALENT, ENTERPRISE AND INNOVATION

IMMEDIATE Priorities for **Enterprise and Innovation** development:

Survey of Taranaki businesses

- Assess current levels of innovation, entrepreneurship and business development activity in the region.
- Assess current application of digital technology to their businesses (outside of accounting packages).
- Build an Innovation Ecosystem Map (similar to Canterbury).

MEDIUM TERM Priorities for **Enterprise and Innovation** development:

Training and development in shared spaces and incubators

- Development of innovation, entrepreneurship and business development activity.
- Use the multi-functional hubs as a base; develop shared spaces in each of them scaled to the location.
- Introduce a region-wide incubator concept based across the learning hubs in New Plymouth and Hawera, with outreach to the other learning hubs.
- Connect these talent and enterprise centres to the national resource streams from, and distribution channels of, MBIE, NZTE, Callaghan Innovation and other relevant agencies and ministries.

Tell the story

- Develop a programme of promotion of an innovation culture to multiple audiences, including outside the region, celebrating successes, entrepreneurs and innovators. Share information and stories that promote these elements and growing innovation culture.
- Engage organisations in programmes (to further leverage and expand reach and contribution).



ACCESSIBILITY AND CONNECTIVITY

OPPORTUNITY

Accessibility and connectivity are crucial in the modern economy. Getting goods and services delivered outside of the Taranaki region enables access to over seven billion customers, rather than just the 115,000 customers in Taranaki. It enables the creation of global supply chains, for example, from Patea to Urenui to all national and international markets.

Taranaki is 'off the beaten track', but is not isolated to the extent of some other regions. Improvements to accessibility and connectivity are likely to be significant medium-term enablers of enhanced economic growth. The challenge of accessibility and connectivity may never be truly overcome, but it can be minimised.

CONTEXT

The range of modes of connectivity: road, sea, rail, air transport and digital development rate highly as part of a development package for Taranaki. Access and connection came up repeatedly in interviews throughout the project. People in Taranaki want to see the disadvantages of their isolation neutralised and the advantages optimised.

ROAD NETWORK

The strategic road network consists of state highways for inter-regional and intra-regional travel, special purpose roads (connecting state highways to Egmont National Park) and some local roads.

Internally, connections within Taranaki are generally sound from an economic perspective, although there is still room for improvement, for tourism, efficient bulk goods transport and for safety reasons.

However, the intra-regional connections north and east are facing significant issues. State Highway 3 north faces a tough topography, and the current route is slow, unreliable and therefore costly for transport. The Government's proposed significant investment in the Mt Messenger and Awakino Gorge bypasses will be critical to reducing these challenges. However, further improvements to the entire route are required to achieve levels of service that are appropriate to this strategically important highway.

State Highway 43 eastwards faces much bigger challenges though it is a much less-used route. State Highway 43 requires the last 12 km to be sealed and safety improvements to enable it to act as a viable link and backup should State Highway 3 north close.

State Highway 3 southwards is comparatively better positioned as an intra-regional link and is not a focus at this time, although there is considerable potential for improvement in the long-term. These intra-regional routes do, however, provide the region with the advantage of connection in three key directions.

The region has several 'special purpose roads' within Egmont National Park, whereby additional funding for their upkeep is provided by NZTA. However, funding for these roads is insufficient to maintain them at a fit for purpose level. In addition there are other roads to Egmont National Park that are not special purpose roads and require upgrades, or have high maintenance costs due to increasing usage.

The region's local roads also face challenges. Some rural roads have had substantial upgrades to cope with oil and gas operations, whilst others face a high number of trucks on more traditional rural roads. Rural roads also face pressure from dairy trucks and logging trucks, as well as providing access to some of the 'hidden gems' of the region such as Mt Damper Falls.

WALKING, CYCLING AND PUBLIC TRANSPORT

Walking, cycling and public transport issues differ throughout the region. Public transport across Taranaki is difficult, and therefore the public transport network is limited, although expanding and catering to as many communities as possible. The region's territorial authorities are investing in new walking and cycling opportunities. A public electric vehicle charging station has been placed in New Plymouth, but there is need for regional expansion as more electric vehicles enter the market.

PORT TARANAKI

The region faces a key question for the future of bulk container freight exports. Bulk freight can either be moved by rail to another port and then on to the market, or from Port Taranaki to market directly or via a hub port. While the cost of taking bulk container freight from Port Taranaki has historically been cheaper for businesses, its sustainability has been questioned and ultimately, in late 2014, container traffic ceased at Port Taranaki.

Investing to restore this Port service would clearly be beneficial to business - but only if economically sustainable in the medium-term at least. It would enable the retention and expansion of exporting businesses to the region and re-diversifies the Port trade to provide a more secure long-term future.



The alternative of using rail, to transport goods to other ports, is not as attractive to Taranaki businesses as the use of Port Taranaki, but is less likely to be withdrawn in the future. KiwiRail and CentrePort have recently invested in a new container hub in New Plymouth to promote containers to go via CentrePort in Wellington. Moving bulk freight by road is generally inefficient, and would require significant and uneconomic further investment in the state highway network.

Addressing this question is much wider than Taranaki Inc. It involves understanding the roles of ports and rail nationally.

Port Taranaki is also critical to servicing the offshore oil and gas operations, as well as being the key export port for those industries. Port Taranaki is also preparing for more cruise ships, both diversifying its operations and providing a key tourism boost.

Port Taranaki can provide much needed national resilience for inter-island freight. A new container service between New Plymouth and the top of the South Island - the "blue water highway" – would offer resilience to the route for inter-island traffic. The current route's vulnerability has been exposed by the Kaikoura earthquake-related damage to CentrePort and the road and rail network around Kaikoura. Investigations should be undertaken on any opportunities that may arise for "roll-on, roll-off" services to Australia.

NEW PLYMOUTH AIRPORT

New Plymouth Airport provides commercial flights to Auckland (Air NZ and Jetstar), Wellington (Air NZ), Christchurch (Air NZ) and Nelson (Originair). The Airport also serves as a critical connection for helicopter operations to offshore oil and gas facilities. Increased passenger numbers have supported New Plymouth District Council's decision to invest in a new terminal. The Council has also developed plans to increase runway length if airlines opt to use larger aircraft. Reliability issues are being dealt with through the national "New Southern Sky" programme by CAA. However, the intersection of Airport Drive with State Highway 3 requires significant upgrade (as part of a wider Waitara to Bell Block safety improvement programme).

DIGITAL CONNECTIVITY

The main centres of the region are connected with fibre, or are planned to be. Fibre has already been rolled out to New Plymouth and Hawera, and is planned to be rolled out to Waitara, Stratford, Inglewood, Eltham, Opunake, Manaia, Patea, Okato and Urenui by 2022. However, there are concerns about digital connectivity in more rural settlements and in the rural hinterland (both on the ring plain and the eastern hill country) to drive digital-enhanced on-farm productivity and profitability.

The national fibre connection in Taranaki is strong. Fibre goes both northwards and southwards - providing dual access and resilience to the network.

Cellular connectivity is strong in urban and semi-urban areas. The ring-plain is reasonably well-served, but pockets of poor coverage remain. Considerable challenges exist largely in the more remote hill country, and particularly along State Highway 3 north and State Highway 43.

CONTRIBUTION

POPULATION	High	Isolation of the region is a significant reason why people choose not to live in Taranaki. Accessibility and connectivity are significant neutralisers of this effect.
GROSS DOMESTIC PRODUCT	High	Development of access and connectivity are crucial to future growth of GDP.
JOBS	High	Jobs will follow economic activity.
HOUSEHOLD INCOMES	Mod.	Accessibility and connectivity are not selective about incomes, but contribute to overall growth.

SUCCESS

When geographic location has diminished to an almost insignificant consideration, then success will have been achieved.

Other success statements:

- Travel times are improved.
- Traffic volumes are accommodated.
- Key access points such as airport and port operate efficiently.
- Digital connection is at least as good as available in metropolitan cities and is extensively used in business.

ACCESSIBILITY AND CONNECTIVITY

BUILDING BLOCKS

CAPITAL AND FUNDING	✓	Most of the projects in the portfolio are public works. This means ensuring a continued commitment of central government agencies to the priorities of the region. Pressing the case will be essential.
ASSETS	✓	The existing networks are good and the enhancements will add significant additional value.
SKILLS	✓	Skills are readily available nationally and locally.
KNOWLEDGE	✓	Knowledge and technical understanding is readily available, particularly in the transport area. The digital area may require the import of some knowledge systems.
LEADERSHIP	✓	Constant advocacy directed at public decision-makers will be required.
MARKET	✓	In the sense that the region as a whole is the market, there has been a level of complacency around development in these areas, though this is now changing.
CONNECTION	✓	Not applicable.

RISKS, CHALLENGES AND SOLUTIONS

- Priorities need to be clearly set and aligned with Tapuae Roa.
- Political priorities might change at a national level affecting local availability.
- Competition with metropolitan projects for public funds could become a problem.

LEADERSHIP

Cohesive leadership from local government is critical. Local government needs to be supported by business interests.

INVESTMENT

There are four potential investors:

- NZTA – the deliverer of many of the projects.
- MoT – setting investment priorities.
- Councils – active advocates and contributors in areas of responsibility.
- MBIE, Crown Fibre Holdings and private investors – for digital.

ACTIONS

ACCESSIBILITY AND CONNECTIVITY

IMMEDIATE Priorities Accessibility and Connectivity:

- **Blue Water highway**
 - Re-examine the business case for the New Plymouth to South Island “roll-on, roll-off” link.
- **Roads**
 - Upgrade of State Highway 43 as a matter of priority.
- **Airport**
 - Upgrade the intersection of Airport Drive and State Highway 3.
- **Internet**
 - Trial the use of fibre to schools in rural areas as a basis for extending broadband connection to rural towns and farms.
 - Review the broadband and cellular black spots which remain considerable throughout the region.
- **Energy supply resilience**
 - Investigate the opportunity to maintain a high voltage lines connection to Port Taranaki for industrial development opportunities.

SHORT TERM Priorities for Accessibility and Connectivity:

- **Port**
 - Review the future role of the Port in light of the various recommendations in Tapuae Roa.
 - Undertake a strategic study of the access of State Highway 44 to the Port.
- **Roads**
 - Safety and access review of all roads in the National Park should be undertaken.
 - An assessment of State Highway 3 north through to Hamilton should be undertaken with a view to achieving levels of service that are appropriate to the highway.
 - An assessment of the Hawera to Whanganui section of State Highway 3 should be undertaken.
- **Digital**
 - Investigate the benefits of developing data storage in Taranaki as a local industry.
- **Energy supply resilience**
 - Ensure all infrastructure providers take account of the Energy Futures Action Group recommendations.
 - Undertake a review of energy supply resilience in the region in light of failures in other parts of the country.

ACTIONS

ACCESSIBILITY AND CONNECTIVITY

MEDIUM TERM Priorities for Accessibility and Connectivity:

- **Rail**
 - Assessment of what is required to maintain the Hawera to New Plymouth rail connection.
- **Digital**
 - Implementation of Digital Enablement Plans in the three district councils.





VIBRANCY AND LIVEABILITY

OPPORTUNITY

A vibrant and liveable community attracts people to live, work, play and invest in Taranaki. This will in turn lead to regional growth benefits such as:

- Even more vibrancy.
- Attraction of knowledge leaders, innovators and people with higher education.
- Filling the gap of 25-40 year olds.
- Opening up more opportunities for investment as people spend on local products and services.
- Building awareness of Taranaki as a great place to do business, live, visit and invest.
- Enhancing tourism/visitor market experiences and their economic spinoffs.

Vibrancy and Liveability is a means to an end, but also an end in itself. Experiential and wellbeing values are becoming increasingly important in the decisions people make about their lifestyle and the place they will live their life. Among those values, relationship values are the most important and the relaxed and engaged nature of the community is very attractive to many.

Taranaki has been something of a lifestyle leader in regional New Zealand. It has managed to build a blend of living conditions, services, events and experiences that drive loyalty, as a result of which, there is a very strong connection to the region.

Arguably, Taranaki's lifestyle is its greatest asset and its best kept secret.

CONTEXT

The Tapuae Roa vision identifies three focus areas: talented people, a high-value modern economy and lifestyle. These three aspects in roughly equal parts make for an attractive and successful region.

Respondents to the interviews conducted at the Strategy stage of Tapuae Roa indicated that the natural environment and access to it was an important part of the lifestyle equation. For most people the right job was at the top of the priorities, but lifestyle was not far behind.

Lifestyle is one of those aspects of development that is the most able to be controlled in the region, whereas to some extent jobs are heavily influenced by the national and international economy.

For all these reasons the Tapuae Roa Strategy argued that Vibrancy and Liveability should be made a virtue in Taranaki and that steps should be taken to ensure that it is seen as a key benefit of the region.

What are some of the key characteristics that are basic to this "Foundation"? Clearly, accessible environmental experiences are important. Also vital is an inner city or town-centre core that is attractive and people-focused. As the principal city of the region, the vibrancy of New Plymouth contributes to the ambience of the whole region. Retaining the integrity of smaller centres and villages is also important.

CONTRIBUTION

POPULATION	High	Vibrancy and Liveability are significant contributors to attraction, and especially retention, of population.
GROSS DOMESTIC PRODUCT	High	Discretionary spending is a significant part of a thriving community and an active lifestyle spend boosts lifestyle services, particularly hospitality services, but also health, wellness and recreation services.
JOBS	High	Personal and community services are a growing area of the national and regional economy and are job intensive.
HOUSEHOLD INCOMES	Mod.	The contribution to household incomes overall is probably more modest but should not be dismissed.

SUCCESS

The characteristics of success in this area are:

- Gradually increasing participation in community events.
- Growth of lifestyle and wellness services.
- Increased diversity of population such as researchers, designers, engineers, biologists, artists, entrepreneurs, bloggers, musicians and so on (STEAMID connection).
- A high level of awareness of, and participation in, sustainability and environmental concerns and projects.
- Adequate housing of a good quality.

VIBRANCY AND LIVEABILITY

BUILDING BLOCKS

CAPITAL AND FUNDING	✓	The cost of developing Vibrancy and Liveability largely fall locally and on the councils, with perhaps the exception of innovation precinct/hub model which will require multiple investors.
ASSETS	✓	The existing network of lifestyle services and assets is strong and demand will continue to extend it.
SKILLS	~	Encouraging the development of community skills, both professional and voluntary, is vital. Volunteer skills, in particular, are strong.
KNOWLEDGE	~	Knowledge, in the sense of self-perception of the region, is not sufficiently strong and the promotional programme in this Future Foundation is designed to stimulate it.
LEADERSHIP	✓	There is strong community leadership in the lifestyle area.
MARKET	✓	Taranaki people are very conscious of what Vibrancy and Liveability mean to them and are active in its support.
CONNECTION	~	With the exception of some free wifi, the use of technology to present the region and encourage lifestyle values is limited.

RISKS, CHALLENGES AND SOLUTIONS

- Vibrancy and Liveability are often taken for granted as being “soft” and may not get the attention they deserve.
- Vibrancy and Liveability are not enough on their own, but are an important ingredient of regional development.

LEADERSHIP

The greatest potential for leadership in this area arises from a nexus of council and community initiatives. The councils can lead in the areas of significant cost for infrastructure and events. Community interests can develop community services and supports. Investment that leverages community action is money well spent.

INVESTMENT

The primary investor in this Foundation is councils. It is part of their civic responsibility. Other investors are community organisations and donors focused on the local living environment.

ACTIONS

VIBRANCY AND LIVEABILITY

IMMEDIATE Priorities **Vibrancy and Liveability:**

- **Marketing and promotion**
 - Research project on the perceptions of the region and the motivations around talent attraction and retention of potential residents (also associated with the Visitor Sector Future).
- **Innovation hubs/precinct concept**
 - Undertake a first stage investigation into the establishment of innovation hubs/precinct concept to encourage innovation, education, vibrancy, connectedness and engagement (same investigation as referred to in Talent, Enterprise and Innovation).

SHORT TERM Priorities for **Vibrancy and Liveability:**

- **Marketing and promotions**
 - Develop a story-telling promotion about the region, the people, the place, businesses, events, culture and heritage, parks, gardens and similar assets, to instil a sense of local pride and create agendas for locals to talk about with potential residents.
- **People initiatives**
 - Marshalling the co-creators – bring together the people who are already working to improve the region and share common goals and activities.
 - Settlement support – develop a region-wide programme of welcoming new arrivals into local neighbourhoods, including promotions such as ‘random acts of kindness’, awareness of services and events.
 - Work with Immigration New Zealand to help ensure skill gaps in Taranaki are able to be filled within the context of current and future policy.
- **Events**
 - Explore the conference market to secure conferences appropriate to the scale of the region (this also is associated with the Visitor Sector Futures).
- **Infrastructure**
 - Continue an active programme of environmental enhancement and beautification by coordinating the programmes of each of the councils into a regional effort. Coordinate volunteers and community organisations into this effort.
 - Establish a prioritised programme of new recreation facilities and maintenance/revitalisation of existing: Yarrow Stadium, the Hub, TSB Stadium, heritage areas, Coastal Walkway extensions, the Taranaki Crossing walk and recreational facilities at the Port.
 - Expand the area covered by free wifi in the city and town centres and associated with the Talent, Enterprise and Innovation hubs.

ACTIONS

VIBRANCY AND LIVEABILITY

SHORT TERM Priorities for Vibrancy and Liveability cont'd

- **Investment and culture of business**
 - Produce a customisable Taranaki Investment Prospectus telling potential investors why they should invest/do business in Taranaki (refer Investment Foundation).
 - Ensure continuation and expansion of open access to advisory, facilitation, connections, collaborations, networks, referrals, and support building business management capability, innovation and commercialisation. Businesses benefit from a culture of business support and Taranaki has a strong reputation (via Venture Taranaki) in this area.

MEDIUM TERM Priorities for Vibrancy and Liveability:

- **Marketing and promotion**
 - Development campaign throughout New Zealand identifying Taranaki as a place to live, visit and work.
 - As part of that campaign, leveraging the diaspora with a letter campaign, refreshing the 'jobs available' website and other initiatives.
- **Natural environment**
 - Develop a number of action programmes that the community can get behind and involved in. Some such programmes could be biodiversity, predator control, zero waste and clean rivers.
- **Investment and culture of business**
 - Review the regulatory environment to: keep regulatory and non-regulatory barriers to business to a minimum; provide a consistent and fair environment; provide support and advice; have district plans with good spatial planning and investment in infrastructure; and to support the business community.



INVESTMENT

OPPORTUNITY

Awareness of the importance of regional economic development is strengthening both locally and within central government, to the extent that MBIE now defines regional development as a clear area of initiative with funds tagged and a large team of staff to support it. The new Labour-led government is very committed to regional development and has ear-marked it for a considerable increase in central government resources. There is an intent that central government funding is matched by local funding – either from the public or the private sector. The provision of local funding can prove challenging not only because of its limited supply, but often 'local' is not a criterion in investment decisions of private citizens.

CONTEXT

The power of a whole-of-region effort in development is becoming better understood, especially the place-based nature of regions where relationships and local resources come strongly into play in development. The challenge of the Investment Foundation is to expand the size of the revenue stream going into regional development.

Investment is the ultimate enabler. An investment strategy needs to reflect the outcomes the region wants and with the three elements of the vision – talent, lifestyle and a modern economy – a diverse investment portfolio is required.

In addition, the intent of the investor is vital, and this has to be factored into the mix. Private investment is generally interested in projects or opportunities that can produce a direct return, generally a financial return.

Central government is interested in projects that will build the economy. Local authorities have to take account of the social and community dimensions of development.

There are many types of current and potential investors in Taranaki:

- Local government.
- Regional government.
- Central government.
- TSB Community Trust.
- Taranaki Electricity Trust.
- Te Karaka Foundation.
- Corporate, business and philanthropic investors.
- Individual private investors.

In looking at investment the following areas were canvassed (in no particular order): likely contributions from central government, increased foreign direct investment, organised philanthropy, increased angel investment activity, increased contributions from Council investment funds, increased iwi investment and increased investment from existing Taranaki companies.

While there were detailed findings in each of these areas what was most notable was the lack of a coordinated view, even in the public sector.

CONTRIBUTION

With regard to contribution, different investments may be targeted at different goals:

POPULATION	Low	Population increase per se is probably a low priority as an outcome for most investors. It is regarded as an outcome that results from other initiatives such as business investment.
GROSS DOMESTIC PRODUCT	Mod.	Investment is generally not targeted at growing regional GDP except perhaps investment from central government.
JOBS	High	Jobs often figure very highly in investors' minds. Returns and business outcomes are the most important, but business requires people, and people fill jobs.
HOUSEHOLD INCOMES	Mod.	Like jobs, household incomes are more immediate and real as a result of investment.

SUCCESS

The characteristics of success in investment are:

- Increasing local investment – especially from non-traditional investors.
- Evidence of a growing culture of local investment in business and community.
- Increasing international investment – especially Foreign Direct Investment.
- Active investigation – investors actively seeking out and reviewing opportunities.
- Increased longevity of investment – investment in larger and more long-term projects.

INVESTMENT

RISKS, CHALLENGES AND SOLUTIONS

- There is a danger of over-organising or over-intervention in this area. Investment will move to opportunity. The key to a successful investment programme is connecting investors with opportunity.
- Getting investment opportunities sufficiently de-risked to make them attractive is a challenge. Different investors will have different risk appetites.
- A key element of de-risking is feasibility and investigation. Private money is often reluctant to do this, and the responsibility falls on public investors. Once viability is established private investment will generally follow.

LEADERSHIP

What does leadership mean in the area of regional investment?

- Credibility – investment opportunities through Tapuae Roa are likely to be well accepted in the community and well-researched making them attractive.
- Connection – Tapuae Roa can link investors with opportunities and demonstrate stability, which attracts investors.
- Promoting local opportunities – local people looking to invest money do not necessarily think about local investments, especially if they invest through national or international brokers. The idea of retaining some funds for use on regional projects won't have occurred to many people.
- Showing the way – local organisations can show the way. Councils, trusts or local investment funds can lead by example and encourage matching investment from peers and the private sector.
- Re-investment – identifying existing investors, public or private, in the region and looking for ways to help them redirect their investment in priority projects for regional development.
- Leveraging – investment that leverages community action is money well spent.

INVESTMENT

There is a strong case for a level of “management” of the regional investment process to ensure it gains greater priority in the investor's mind. This requires an active programme of communication and engagement in the financial sector to raise the profile of regional investment and the opportunities that exist.

ACTIONS

INVESTMENT

IMMEDIATE Priorities in Investment:

Preparation of an Investment Development Strategy, including:

- **Regional Investment seminar**
 - This involves mounting a regional seminar for business and community organisations to familiarise with the recommendations of Tapuae Roa and consider the opportunities for investment and where investment might arise from.
- **Regional Investment/Growth Fund**
 - The development of a regional investment fund with contributions from local authorities, philanthropic funds and private individuals could provide a new source of investment funds for Tapuae Roa projects. The viability of such an Investment Fund requires investigation.
- **Regional Investment prospectus**
 - This would involve the preparation of a profile of the emerging investment opportunities in the region over the next two to five years.

SHORT TERM Priorities in Investment:

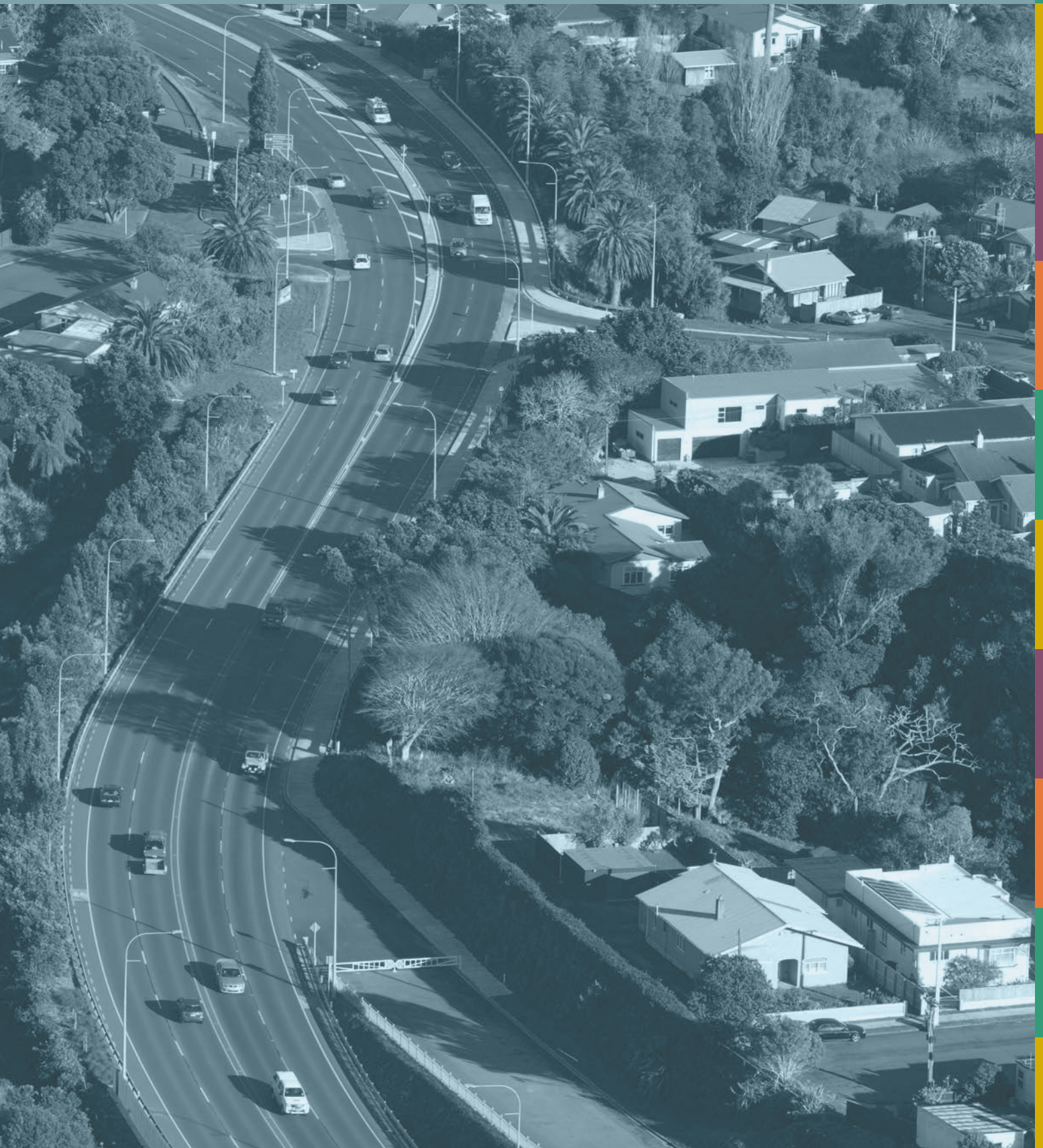
- **Angel investors' action group**
 - Encourage the further development of Launch Taranaki including the potential for a regional angel investment fund.
- **Iwi Partnership Investment**
 - This would involve exploration of partnership opportunities with iwi in the priorities in the Tapuae Roa Action Plan.
- **Infrastructure Investment**
 - There are significant infrastructure investments required through central and local government. These include investment in transport and connectivity infrastructure.

MEDIUM TERM Priorities in Investment:

- **Increasing Foreign Direct Investment**
 - Venture Taranaki supports the identification of opportunities for foreign direct investment and works in partnership with NZTE with the goal of targeting potential investors.
 - There are potential opportunities in tourism, food and energy.

ACTIONS

INVESTMENT



MAKING IT HAPPEN

This final section of the Action Plan deals with aspects of delivery. It looks at where priorities lie, the crossovers and synergies between the various projects and the management and leadership required to make it happen.

SETTING PRIORITIES

This is a large programme and will need to be tackled in a systematic fashion. It has been developed as an integrated whole rather than a series of isolated projects although in this Action Plan each of the key areas have been treated separately.

The Futures and Foundations can be divided up into three categories in terms of their current status: those that are “near ready-to-go” or action-ready; those that are “project-development-ready” and require project management to take them to the next stage; and those where there is still more work required on developing the concept to get them to the project-development-ready stage.

The Futures and Foundations have been assessed into these categories as follows:

- **Near ready-to-go** Visitor Sector, Accessibility and Connectivity.
- **Project development ready** Energy, Māori Economy, Talent, Enterprise and Innovation.
- **Concept required** Food, Vibrancy and Liveability, Investment.

These categories are reasonably generic and there is much variability within them, but they indicate in broad terms what is required to carry them forward. Of those “near ready-to-go” projects, those in the Visitor Sector are the most advanced and tangible. Extensive work has been done on the Taranaki Crossing, the North Egmont Visitor Centre, an events programme and the Taranaki Cathedral upgrade. Because they are in such a state of readiness and are likely to attract central government investment, then there is a strong argument to give them priority and get them underway as quickly as possible.

The projects in the ‘Accessibility and Connectivity’ category are likewise well advanced in their development and in some cases have even been tagged in NZTA and council LTPs for spending. These need to proceed as quickly as possible.

Of those in the “project-development-ready” category, ‘Energy Futures’ is arguably the strongest. Apart from its potential contribution to the economy, a great deal of investigation and background research has been done and the concept is well developed. There is leadership available to turn this into an operational project.

‘Māori Economy’ is less well developed but was subject to a detailed concept development exercise with the assistance of KPMG during the action planning stage of Tapuae Roa and has the support of iwi. The challenge is now turning it into a project and attracting investors. There are a number of information and stocktake actions that can get underway almost immediately if they can be funded.

‘Talent, Enterprise and Innovation’ is arguably the most important Foundation in a people-centred Strategy such as Tapuae Roa. There is still significant development work to be done on the feasibility and operation of the hubs. It has to be seen as a priority. Those requiring further concept development will need time and effort to get them to the project-ready threshold.

The Investment foundation requires early attention to build the basics of long term funding streams.

The Food Futures concept has had considerable work done on it but there is still much to do linking it into regional, national and international networks. This will take time.

While important, ‘Vibrancy and Liveability’ priorities can be fitted around others and are already considerations for local government expenditure in their LTPs.

PRIORITIES

	NEAR READY-TO-GO	PROJECT DEVELOPMENT READY	FINAL CONCEPT REQUIRED
IMMEDIATE - NOW PRIORITIES (YEAR 1)	<p>VISITOR SECTOR Taranaki Crossing. North Egmont Visitor Centre. Enhanced events programme. Taranaki Cathedral upgrade.</p> <p>MĀORI ECONOMY Scope hub concept to project-ready status. Undertake stocktakes and current state analysis of communities and initiatives.</p>	<p>ENERGY Further development of the New Energy Development Centre project to ready-to-go status. Development of the H₂ ecosystem to a project-ready status.</p>	<p>FOOD Development of the Taranaki Food Network to ready-to-go status.</p> <p>INVESTMENT Development of an Investment Development Strategy to ready-to-go status.</p>
SHORT AND MEDIUM - SOON PRIORITIES (YEARS 1 TO 3)	<p>ACCESSIBILITY AND CONNECTIVITY Upgrade SH43. Upgrade Airport Drive SH3. Remove digital black-spots.</p> <p>VIBRANCY AND LIVEABILITY Research project on perceptions of the region and related market/attractiveness development programmes. Develop and confirm regional priorities.</p>	<p>TALENT, ENTERPRISE AND INNOVATION Development of hub concept to project-ready status. Establish partner relationships. Identify potential investors.</p> <p>MĀORI ECONOMY Scope investor interest.</p>	<p>FOOD Preparation of a detailed Food Futures Development Plan. Commit investors.</p> <p>INVESTMENT Regional investment seminar. Investigation of Regional Growth/Investment Fund. Preparation of a Regional Investment Prospectus.</p>

CROSSOVERS

How do the Futures and Foundations link and crossover?

Where are the synergies?

There are many different types of synergies. There are lifestyle and environmental synergies. For example, what is good for 'Vibrancy and Liveability' for attracting and retaining residents, is also good for the 'Visitor Sector' priorities. These two focus areas should be developed together and the assets created will have a related double pay-off.

There are strong "human capital" development synergies between 'Talent, Enterprise and Innovation' and 'Māori Economy' initiatives, especially in education, training, development of technical skills and encouragement of business enterprise. The proposed network of hubs underpins this work and if it is possible to tie WITT and other providers into the hub network, then a very robust network is possible. The hub concept can be broadened to encompass initiatives from the 'Energy' and 'Food Futures'.

'Food Futures' presents the possibility of strong vertical integration back to the farm, and is likely to foster small enterprises that would gain support from the hub network. The same potential exists with small scale renewable energy initiatives.

'Accessibility and Connectivity' are key 'connectors'. Adoption and uptake of technology on the back of enhanced internet capability, and the contribution from improved roading networks for visitors and the transport of goods to market are obvious.

The leadership challenge is to simultaneously manage each of the Futures and Foundations in their own right and build connections and synergies. Crossovers between the public and private sector are also vital if the priorities of this plan are to be funded and therefore achieved.

MANAGEMENT AND LEADERSHIP

Bringing together and progressing this mix of programmes is no small task. It requires the region to think differently about how it conceives and manages regional development.

If the "brands" of 'Energy Futures', 'Food Futures', 'Māori Economy Futures' and 'Visitor Sector Futures' are to be created as vehicles of development and if behind each of these brands is a programme of action picking up crossovers and synergies, then a regional leadership structure and methodology equal to the task will be required.

In the past this role has been played by Venture Taranaki and done very well, however, the challenge is that much greater. If the priorities of this Action Plan are to be achieved, then this leadership and professional delivery will need to be taken up another level of scale and capacity. Work specifically on how leadership and management will be structured and resourced is a further and urgent priority.

There are several important considerations to be borne in mind as this planning is undertaken:

- **Reach** – across the region, nationally and internationally.
- **Regional alignment** – a total regional effort.
- **Resources** – engagement with greater resource - public and private - than has been previously possible.
- **Business** – tight connections with business at all levels.
- **Leadership** – clear lines of authority and responsibility to avoid any conflicts.
- **Partnership** – not just talking together but involved in shared enterprises and activities.

It is expected that regional leaders will consider the question of management and leadership of Tapuae Roa which will answer the question how an ambitious programme of this nature can be achieved.

ACRONYMS

<i>CEO</i>	<i>CHIEF EXECUTIVE OFFICER</i>
<i>CRI</i>	<i>CROWN RESEARCH INSTITUTE</i>
<i>ECE</i>	<i>EARLY CHILDHOOD EDUCATION</i>
<i>GDP</i>	<i>GROSS DOMESTIC PRODUCT</i>
<i>H₂</i>	<i>HYDROGEN</i>
<i>LTP</i>	<i>LONG-TERM PLAN</i>
<i>MBIE</i>	<i>MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT</i>
<i>MSD</i>	<i>MINISTRY OF SOCIAL DEVELOPMENT</i>
<i>NIWA</i>	<i>NATIONAL INSTITUTE OF WEATHER AND ATMOSPHERIC SCIENCE</i>
<i>NPDC</i>	<i>NEW PLYMOUTH DISTRICT COUNCIL</i>
<i>NZTA</i>	<i>NEW ZEALAND TRANSPORT AGENCY</i>
<i>NZTE</i>	<i>NEW ZEALAND TRADE AND ENTERPRISE</i>
<i>R&D</i>	<i>RESEARCH AND DEVELOPMENT</i>
<i>SH</i>	<i>STATE HIGHWAY</i>
<i>SME</i>	<i>SMALL AND MEDIUM ENTERPRISE</i>
<i>STDC</i>	<i>SOUTH TARANAKI DISTRICT COUNCIL</i>
<i>STEAMID</i>	<i>SCIENCE, TECHNOLOGY, ENGINEERING, ARTS/DESIGN, MATHEMATICS, INNOVATION AND DIGITAL</i>
<i>SDC</i>	<i>STRATFORD DISTRICT COUNCIL</i>
<i>TEC</i>	<i>TERTIARY EDUCATION COMMISSION</i>
<i>TPK</i>	<i>TE PUNI KOKIRI</i>
<i>TRC</i>	<i>TARANAKI REGIONAL COUNCIL</i>
<i>VTT</i>	<i>VENTURE TARANAKI TRUST</i>
<i>WITT</i>	<i>WESTERN INSTITUTE OF TECHNOLOGY AT TARANAKI</i>

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