

TOI MOANA BAY OF PLENTY GROWTH STUDY OPPORTUNITIES



EDUCATION & SKILLS OPPORTUNITIES:

CURRENT STATUS/FURTHER WORK REQUIRED

Development of a youth/rangatahi education and skills strategy

- Development will need to include a review of a full range of current initiatives to identify the most successful programmes that could be expanded and the development of common monitoring and reporting indicators.

BENEFITS: Raise education and skill levels of future Maori workforce

TOTAL INVESTMENT: Unknown
TIMEFRAME: 5 years

Tauranga Tertiary Education Precinct

- TEC will need to review the campus business case to inform future decisions on EFTS investment (student achievement component funding) and international student enrolments.
- Tauranga City Council to work with regional, local and central govt. partners and private sector developers to ensure the city's infrastructure supports a growing student body and encourages co-location of firms within the city's new tertiary education precinct.

BENEFITS: Facilitates industry collaboration and education pathways, leading to better employment opportunities; more overseas students

TOTAL INVESTMENT: 89 million
TIMEFRAME: 20 years
EST. GDP EMPLOYMENT CONTRIBUTION: 188 million
EST. FTE EMPLOYMENT CONTRIBUTION: 600
GDP/FTE: 313,333



GEOTHERMAL OPPORTUNITY: Marketing of geothermal opportunities to industry

CURRENT STATUS/FURTHER WORK REQUIRED

- Coordinated marketing initiative to be established to promote potential business opportunities provided by the use of geothermal resources.
- Identification and design of specific investment opportunities with foreign direct investment potential.
- Mapping of additional geothermal fields.

BENEFITS: New industry established, increasing international competitiveness

TOTAL INVESTMENT: Unknown



WATER OPPORTUNITY: Bay of Plenty councils to work collaboratively with stakeholders to set water catchment objectives, limits, and monitoring and management mechanisms

CURRENT STATUS/FURTHER WORK REQUIRED

- Establish systems for comprehensive monitoring and reporting of water usage.
- Identify environmentally sustainable levels of water allocations.
- Engage in collaborative processes with stakeholders in each catchment to identify who obtains value from the water in the catchment, set objectives, set limits and put in place measures to address water takes and sources of contamination.

BENEFITS: Improved availability and quality, benefitting primary industries

TOTAL INVESTMENT: Unknown



AGRICULTURE OPPORTUNITY: Improving on-farm productivity through better farm management and increased animal yields

CURRENT STATUS/FURTHER WORK REQUIRED

- Various current PGPs are partly focused on supporting agriculture productivity gains.
- Assess the benefits of expanding existing industry initiatives (eg DairyNZ's Focus Farms) to more locations.
- Assess the benefits of increasing funding for research and development focused on animal and plan genetics.
- Undertake proof of concept on large-scale sheep and goat dairy farming.

BENEFITS: 10% increase in on-farm productivity, extra value of \$60m for region

TOTAL INVESTMENT: Planned PGP investment: \$246m (partly focused on productivity). Approx. \$750,000pa for extra 10 locations (private and public). Depends on scale (private and public).
TIMEFRAME: 3 years
EST. GDP EMPLOYMENT CONTRIBUTION: 60 million
EST. FTE EMPLOYMENT CONTRIBUTION: 745
GDP/FTE: 80,577

AQUACULTURE OPPORTUNITIES:

CURRENT STATUS/FURTHER WORK REQUIRED	OTHER INFORMATION
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Opotiki sea farm and harbour development

<ul style="list-style-type: none"> First set of sea farm production lines established in 2014. Commercial harvesting commencing in 2015. A study assessing output markets is in progress. Business case needs to be reviewed, including export potential, technical risk analysis, and project validation for local processing facility. Central government to decide on financial contribution to the Opotiki harbour development. A better business case is being prepared. Current employment is about 15 to 20 FTEs, based on the labour content of the current investment in the farm and other inputs with current GDP impact of approximately \$2m. Full ongoing benefit not realised until year 12. <p>BENEFITS: Would add \$40m to regional GDP, create up to 400 more jobs</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: Marine farm, hatchery and processing plant is estimated to cost around \$80 million. Harbour development to cost around \$52 million. TIMEFRAME: 12 years EST. GDP EMPLOYMENT CONTRIBUTION: 41 million EST. FTE EMPLOYMENT CONTRIBUTION: 325 GDP/FTE: 126,154
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Establishment of commercial trout farming

<ul style="list-style-type: none"> Trout cultivation was valued at more than US\$1.3 billion in 2006, with large international markets in Japan, Europe and America. Commercial trout farming is currently prohibited in NZ. In support of a call for a law change, interested commercial parties and iwi need to: demonstrate the viability and economic potential of commercial trout farming; develop detailed designs of farming facilities and compliance with best practice management; and provide an assessment of the risks to wild trout and the associated industry. Central govt. to consider legislative change to enable commercial trout farming. <p>BENEFITS: Benefit will depend on scale of production</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: Depends on scale (private sector). TIMEFRAME: 5-10 years
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HORTICULTURE OPPORTUNITIES:

CURRENT STATUS/FURTHER WORK REQUIRED	OTHER INFORMATION
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Horticulture land expansion for kiwifruit

<ul style="list-style-type: none"> Identify potential areas for expansion of horticulture land. Advance investigation and decision-making regarding new irrigation schemes that have been considered. Underlying demand in export markets estimated to grow at 4 percent per annum. <p>BENEFITS: An annual increase of 1% (100ha) in orchard land would lift GDP by \$2m per year</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: Unknown EST. GDP CONTRIBUTION: 2 million EST. FTE EMPLOYMENT CONTRIBUTION: 48 GDP/FTE: 41,810
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Take a significant position within the growing global health and wellness market through high quality manuka products

<ul style="list-style-type: none"> High performance Manuka plantations PGP since 2011. Natural healthcare market to grow by about \$700 billion by 2018 according to international projections. 'Interim labelling guide for Manuka honey' released in 2014. Permanent labelling guide requires additional research. Industry needs to: resolve issues surrounding labelling/product standards; enhance collaboration regarding growth strategy, market development, and research and development; consider the establishment of an industry-wide marketing body; and develop a strategy to enhance reliability of Manuka honey supply. <p>BENEFITS: 40% price premium fetched for NZ Manuka-based honey products; growth in turnover from \$75m to \$1.2b by 2028</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: Planned PGP investment of \$2.9 million. Further investment unknown at this stage. TIMEFRAME: 1-3 years
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Avocado industry international market development

<ul style="list-style-type: none"> The avocado industry has a target of quadrupling industry turnover to \$280m by 2023 by achieving higher selling prices and tripling volumes. Avocado exporters and NZTE to increase their efforts to enter new markets, particularly the USA. Industry needs to progress research on refrigeration techniques that will enable fruit to be shipped over longer distances. <p>BENEFITS: Maintaining 60% of export crop to contribute \$168m to regional exports by 2023</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: 8.6 million TIMEFRAME: 8 years
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FORESTRY & RELATED PRODUCT OPPORTUNITIES:

CURRENT STATUS/FURTHER WORK REQUIRED	OTHER INFORMATION
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Developing export markets for processed wood products

<ul style="list-style-type: none"> The BOC forestry and wood processing strategy was completed in 2014. Industry to pursue a more collaborative approach – in conjunction with NZTE – to identify export market opportunities and to develop suitable products that meet overseas demands and standards. Should also look for opportunities to make greater use of geothermal resources for energy and timber drying. <p>BENEFITS: Potential to add \$2.2 billion to regional GDP by transitioning from log exports to additional processing</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: Unknown EST. GDP CONTRIBUTION: 2.2 billion EST. FTE EMPLOYMENT CONTRIBUTION: 16,812 GDP/FTE: 130,857
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Toitu Te Waonui Afforestation Initiative

<ul style="list-style-type: none"> Project proposal currently going through validation phase. To be followed by drafting of investment prospectus, capital raising, large-scale land aggregation, and land preparation and planning. A proposal for a govt. afforestation grant to assist with working capital and cash flow requirements may be presented. In addition, funding support may be sought for the development of the investment prospectus and other commercial preparation activity. <p>BENEFITS: Assets worth \$1b at maturity; enhances Maori land productivity & NZ-owned assets; creates jobs & training opportunities</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: 35 million (estimated)
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SPECIALISED MANUFACTURING OPPORTUNITY: Develop critical mass in niche manufacturing with an initial focus on metal powders and applications

CURRENT STATUS/FURTHER WORK REQUIRED	OTHER INFORMATION
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<ul style="list-style-type: none"> 10 year industry development roadmap launched in 2008. Titanium technologies platform (2014) is targeting opportunities and technical and commercial barriers. Need to review and update the existing roadmap and determine how the growth goals can be realistically achieved. <p>BENEFITS: Potential for industry turnover to grow to \$1b by 2030, with exports reaching \$100m by 2023</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: \$5.75 million being invested in the Titanium Technologies Platform. Previous investments total around \$15 million of research and economic development funding support. It is estimated that industry has invested over \$20m. Further funding requirements unknown. TIMEFRAME: 15 years EST. GDP EMPLOYMENT CONTRIBUTION: 696.8 million
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VISITOR ECONOMY OPPORTUNITIES:

CURRENT STATUS/FURTHER WORK REQUIRED	OTHER INFORMATION
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Rotorua wellness-based strategy

<ul style="list-style-type: none"> Visitors contributed \$667 million to the BOP's GDP in 2014 and employed 12,000 people, with Rotorua accounting for about 38 percent of those figures. Destination Rotorua to progress strategy to position the region as a key wellness destination, with a focus on securing Chinese and Asian visitor growth. Negotiations with airlines to be advanced regarding the introduction of direct flights between Rotorua and Queenstown. <p>BENEFITS: \$55m lift in regional GDP and 990 more jobs created in five years' time</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: Unknown at this stage; related to various initiatives. EST. GDP CONTRIBUTION: 55 million EST. FTE EMPLOYMENT CONTRIBUTION: 990 GDP/FTE: 55,556
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Regional tourism strategy

<ul style="list-style-type: none"> RTOs to develop a joint region-wide tourism strategy. RTO funding model to be reviewed related to the development and implementation of the strategy. <p>BENEFITS: Every 1% lift in expenditure above 'business as usual' would equal \$5m in GDP and 100 FTEs</p>	<ul style="list-style-type: none"> TOTAL INVESTMENT: Unknown TIMEFRAME: 1-3 years
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