



# Regional Economic Development Strategy Action Plan 2009-2011

December 2009

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## i Project Brief

Tairawhiti Development Partnership Management Trust (TDPMT) commissioned BDO Gisborne Limited to prepare an Action Plan for 2009-2011 to facilitate the implementation of the Regional Economic Development Strategy published by *McDermott Miller Strategies Limited* (MMSL) in January 2009.

## ii Terms of Delivery

This Action Plan report is delivered by BDO Gisborne Limited (the “Consultant”); to Gisborne District Council as Regional Strategy Fund Administrative Agency for the Tairawhiti Development Partnership Management Trust (the “Client”) in accordance with the terms and conditions agreed in the “Consultancy Services Contract” signed on 9 September 2009.

This Action Plan report is delivered for the purposes recited in the aforementioned agreement and we do not assume any responsibility or liability for losses occasioned to any other parties as a result of the circulation, publication, reproduction or use of this report or any extracts therefrom contrary to the purposes recited in the aforementioned agreement. In any event, *BDO Gisborne Limited* total liability to all and any parties for any reasons whatsoever is limited to three times the fee charged for this assignment.

## iii Abbreviations

ACE	Adult & Community Education
AGMARDT	Agricultural and Marketing Research and Development Trust
COGS	Community Organisation Grants Scheme
DOC	Department of Conservation
ECT	Eastland Community Trust
EECA	Energy Efficiency and Conservation Authority
ETP	Enterprise Training Programme (NZTE)
ETS	Emissions Trading Scheme
FIDA	Forestry Industries Development Agenda
FoRST	Foundation for Research Science and Technology
GDC	Gisborne District Council
ITO	Industry Training Organisation
MAF	Ministry of Agriculture and Fisheries
MMSL	McDermott Miller Strategies Limited
MRI	Major Regional Initiative
NZTA	New Zealand Transport Agency
NZTE	New Zealand Trade & Enterprise
REDS	Regional Economic Development Strategy
SFF	Sustainable Farming Fund
SH2	State Highway 2
SME	Small to Medium Enterprise
SWOT	Strengths; Weaknesses; Opportunities; Threats
TDP	Tairawhiti Development Partnership
TDPMT	Tairawhiti Development Partnership Management Trust
TLDT	Tairawhiti Land Development Trust
TPK	Te Puni Kokiri
TRENZ	Tourism Rendezvous New Zealand
WDC	Wairoa District Council

## 1. Executive Summary

### Purpose

- 1.1 The Action Plan for 2009-2011 identifies priority initiatives to be undertaken through a coordinated approach between key stakeholders to promote economic development in Tairāwhiti in accordance with the Regional Economic Development Strategy (REDS) completed by *McDermott Miller Strategies Ltd (MMSL)* in January 2009.

### Regional Economic Development Strategy 2009 link to the Action Plan

- 1.2 The REDS 2009 outlined a number of priority areas for immediate attention. This Action Plan report presents 9 individual action plans, which collectively address these priority areas and prescribe actions for strategy implementation. Each individual action plan comprises one or more actions or initiatives, each of which is a separate project or task that advances the purpose of the overall Action Plan.

### Management and coordination responsibilities

- 1.3 The REDS 2009 highlighted the importance of a collaborative and coordinated approach across all aspects of economic planning in the region. It described the critical role that must be played by a central organisation in coordinating, supporting and developing regional economic activity under the various action plans, and also in facilitating funding and investment opportunities where appropriate.
- 1.4 This Action Plan is prepared on the premise that the Tairāwhiti Development Partnership Management Trust (TDPMT), or a suitable surrogate, is assigned this role by the Tairāwhiti Development Partnership (TDP) and that the nominated lead coordinating organisation of each individual action plan reports to this body.
- 1.5 The TDPMT must consider the increased demand of time and resources under this extended role and the implications for its inter-relationship with the Tairāwhiti Development Partnership (TDP). The composition of the board of TDPMT should be expanded so it is sufficiently representative of its key stakeholders - particularly those that are leading key industry initiatives under this Action Plan.
- 1.6 Each of the individual action plans will be overseen by a nominated lead body, logically a major player with influence in that particular action plan. The lead body's role is one of coordination, monitoring and integration of the various elements of the particular action plan. It does not necessarily have any responsibility to manage or resource the individual initiatives contained in the Action Plan, as this role will be undertaken by organisations and businesses that are directly involved in that particular initiative.
- 1.7 The key responsibility of each lead body is to proactively seek and update information for the initiatives, co-ordinate activities and to periodically report to TDPMT, being the overall lead management organisation. This ensures a coordinated channel of communication from each of the 9 action plans to a central management point of all the regional economic development activity in the Tairāwhiti region.
- 1.8 A map of the proposed Management & Coordination Structure is presented in Appendix D.

### Action Plan - overview

- 1.9 The Action Plan is designed to be a “perpetual” document. It requires regular review and updating based on the changing industry dynamics, economic needs of the region and activities of industry and enterprise.
- 1.10 The Action Plan was devised following extensive consultation with key stakeholders and other interested parties (investors, funders etc). Face to face interviews and group meetings were conducted to gauge commitment and to obtain feedback on the Regional Economic Development Strategy summarised in the publication “Lifting our Game”.
- 1.11 The Action Plan has been formulated with 2 key strategic areas:
1. Enterprise enabling initiatives: encompass 5 individual action plans that have relevance or impact across all industry sectors. These action plans address issues that are fundamental to successfully undertaking business in the region.
  2. Industry and business initiatives: encompass 4 individual action plans that support sustained growth of specific key industries within the region and businesses within those industries. These action plans seek to improve processes, product, marketing and overall business strategy.

### Action Plan - detail

- 1.12 The coordinating lead bodies suggested for the individual action plans are:

<i>Action Plan</i>	<i>Coordinating lead body</i>
Regional Marketing & Branding	TDPMT
Industry Education & Training	Tairawhiti Polytechnic
Entrepreneurship & Commercialisation	TDPMT
Innovation & Research	TDPMT
Transport & Energy	TDP
Tourism	TDPMT
Food Enterprise	Tairawhiti Land Development Trust
Wine & Viticulture	Gisborne Winegrowers
Forestry & Wood	Eastland Wood Council

TDPMT is suggested as the lead body for those action plans where there is not a readily identifiable or available lead body amongst the interested parties.

1.13 The following action list summarises the initiatives requiring priority action in 2009-2011.

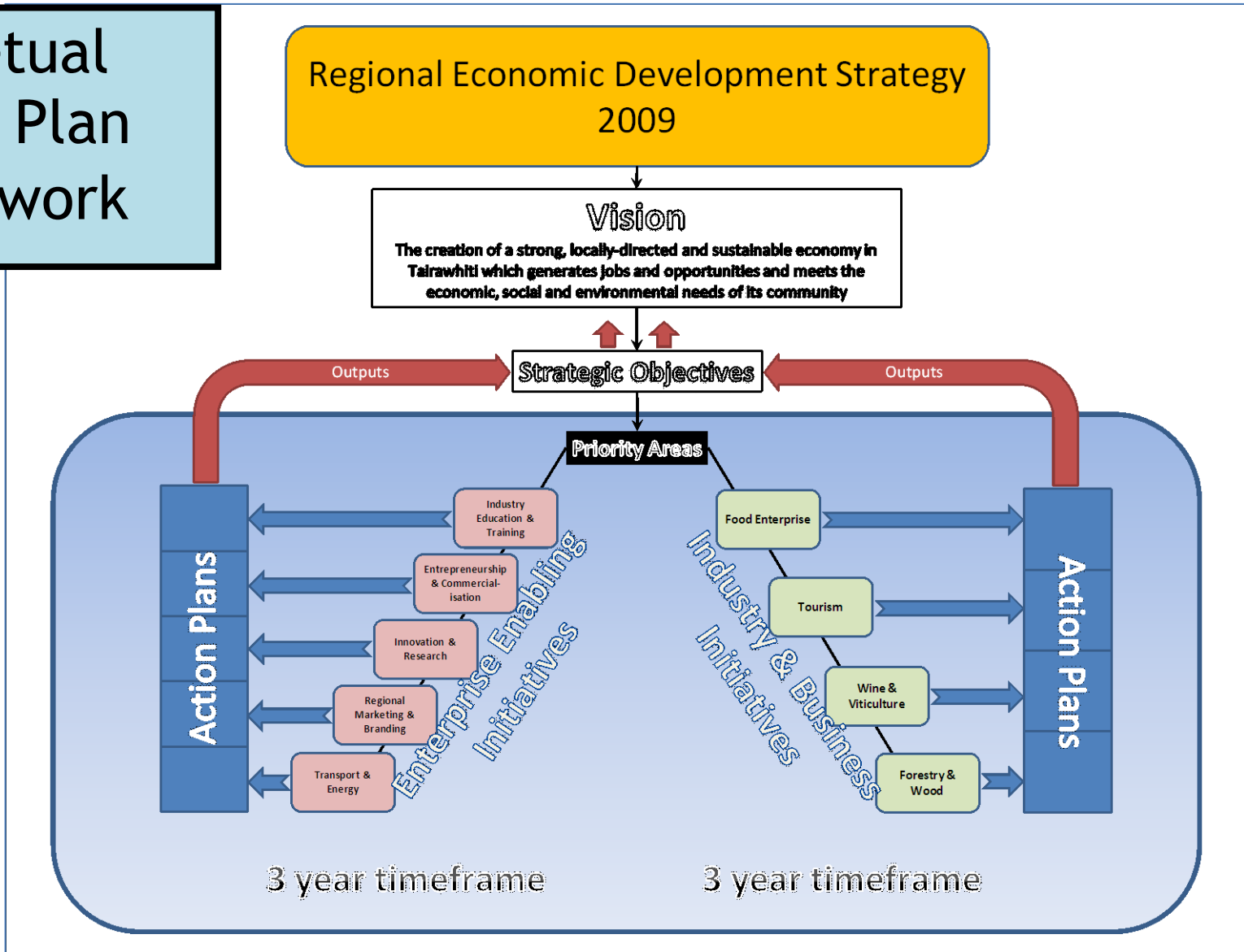
### **Enterprise Enabling Initiatives**

	Target	Responsibility
<b>Regional Branding &amp; Marketing</b>		
1. Establish Steering Group	Feb 2010	TDPMT
2. Apply to NZTE for brand strategy funding	Apr 2010	TDPMT
3. Request for proposal for brand refresh & marketing plan	May 2010	TDPMT
4. Commence regional branding project	Jun 2010	TDPMT
<b>Industry Education &amp; Training</b>		
1. Liaison between TDPMT and the Tairāwhiti Polytechnic led Steering Group to monitor progress on its action plans and provide support where appropriate	Commence ASAP & On-going	TDPMT Tairāwhiti Polytechnic
<b>Entrepreneurship &amp; Commercialisation</b>		
1. Determine need for project scoping gaps in services to entrepreneurs and options to fill those gaps. If needed, scope project and apply for funding	Mar 2010	TDPMT
2. Establish the entrepreneurs forum and set criteria, guidelines, operating procedures and membership	May 2010	TDPMT
<b>Innovation &amp; Research</b>		
1. Identify and apply for funding for first forum in 2010	Mar 2010	TDPMT
2. Create database of research and innovation projects involving enterprises in the region / based in the region	May 2010	TDPMT
3. Plan first forum for late 2010	Sep 2010	TDPMT
<b>Transport &amp; Energy</b>		
1. Scope need for and benefits of Transport Strategy and Plan	Jun 2010	TDP
2. Continue ECT subsidising of landing fees for the Air New Zealand Q300 aircraft landing at Gisborne Airport	On-going	ECT

**Industry & Business (Sector) Initiatives**

	Target	Responsibility
<b>Tourism</b>		
1. Complete pre-feasibility study for the Navigations project	Feb 2010	TDPMT
2. Implement plan for Navigations project based on study results	From Apr 2010	TDPMT
3. Determine costs/benefit of a tourism strategy	May 2010	TDPMT
4. Identify possible sources of funding for tourism strategy	May 2010	TDPMT
<b>Food Enterprise</b>		
1. Secure funding for the Te Taumata programme from MAF	Feb 2010	TLDT
2. Refine focus of the TLDT and consider a change of name	May 2010	TLDT
3. Expand/change trustees to reflect new focus of the Trust	May 2010	TLDT
4. TLDT host hui of reps of each activity area and trustees	Jun 2010	TLDT
<b>Wine &amp; Viticulture</b>		
1. Redesign of the Wines of Gisborne brand logo so it is clearer, more visible and is unique/synonymous with Tairāwhiti region	From Dec 2009	Gisborne Winegrowers
2. Incorporate both the new brand logo and photographic imagery into the redevelopment of all existing consumer touch points	From Dec 2009	Gisborne Winegrowers
3. Secure a lease, fit out and open a Wines of Gisborne Information Centre to Centre to promote Gisborne's wines, cellar doors and wine tourism activities	From Dec 2009	Gisborne Winegrowers
4. Gisborne Winegrowers Marketing Director to investigate and initiate marketing strategy for regions' wine and viticulture sector. Marketing activities planned next 12-18 months	From Dec 2009	Gisborne Winegrowers
5. Proceed with various research projects underway and planned involving grape growers in the region	From Dec 2009	Gisborne Winegrowers
<b>Forestry &amp; Wood</b>		
1. TDPMT liaise with Eastland Wood Council re update on industry initiatives	Mar - Jun 2010	TDPMT

# Perpetual Action Plan Framework



## 2. Link between Regional Economic Development Strategy and Action Plan 2009-2011 Report

The Implementation Plan (section 4.3) of the REDS 2009 outlines a broad plan to implement the economic development strategy. The report identifies potential programmes in the following areas:

- Regional branding
- Sector product development
  - forestry and wood processing
  - meat and wool production
  - horticulture
  - transport
  - tourism
- Training
- Biannual regional business forum
- Small business incubation
- Energy

The tables below provide a brief overview of the content from the REDS 2009 report with the corresponding Action Plan in this report noted below.

<p><b>Regional Branding</b></p> <ul style="list-style-type: none"> <li>• Strategy to develop regional identity and associated values that will reflect the value of investing in, migrating to or visiting Tairāwhiti.</li> <li>• Regional “place” marketing based around GDC’s first to see the light branding.</li> <li>• A number of uncoordinated branding initiatives in the region. TDPMT should lead the development of a single regional brand to concentrate marketing spend.</li> </ul> <p><b>Action Plan 4.1 - Regional Marketing &amp; Branding</b></p>
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<p><b>Forestry and Wood</b></p> <ul style="list-style-type: none"> <li>• Hikurangi Forests Farm Ltd new mill to be built.</li> <li>• Develop new high value products from forestry and milling wastes.</li> <li>• Realise opportunity to earn credits under emissions trading scheme.</li> <li>• Develop complementary products from forest land e.g. mushrooms.</li> <li>• East Cape: identifying feasible locations for processing, roading requirements, transport of logs.</li> <li>• SH2 upgrade Wairoa to Napier to facilitate transport of logs.</li> </ul> <p><b>Action Plan 5.4 - Forestry &amp; Wood</b></p>
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### **Meat and Wool Production**

- Intensify land use.
- Increase output of higher value products.
- Expand on farm capabilities by continuing Maori Land Development programme.
- Career and training schemes to attract young people onto the land.

**Action Plan 5.2 - Food Enterprise**

### **Horticulture**

- Intensify land use.
- Develop and market value added niche products.
- Investigate potential of bio-fuel production from crops.

**Action Plan 5.2 - Food Enterprise**

### **Transport**

- Improve transport links and reduce transport costs through coastal shipping.

**Action Plan 4.5 - Transport & Energy**

### **Tourism**

- Business case and pre-feasibility assessment for “Navigations Traditions” project.
- Inter-regional marketing with neighbouring regions.
- Develop short stay market based on events.
- Develop active adventures / experience products.
- Expand cruise ship market and integrate with other tourism product.
- Continue urban waterfront development in Gisborne.

**Action Plan 5.1 - Tourism**

### **Training**

- Attract workers to expanding industries, especially primary production and processing.
- Identify what the needs are, numbers required and where needed.
- Customised land based training programmes.
- Enhancing governance and management capabilities of Maori land based businesses, including cultural imperatives.

**Action Plan 4.2 - Industry Education & Training**

**Biannual Regional Business Forum**

- Forum to assess the economic performance compared to other regions and discuss how to improve performance.
- Monitor region's economy against objectives.

**Action Plan 4.3 - Entrepreneurship & Commercialisation**

**Small Business Incubation**

- Small scale business feasibility studies - funded.
- Encourage investment opportunities.

**Action Plan 4.3 - Entrepreneurship & Commercialisation**

**Energy**

- Spin off opportunities from oil and gas production

Not identified in action plan as a 2009-2011 priority

Two further areas not included in the REDS 2009 Implementation Plan section have been identified as priority for the Tairāwhiti region through the consultation process undertaken in this project. These are addressed accordingly under the following Action Plans:

**Action Plan 4.4 - Innovation and Research**

**Action Plan 5.3 - Wine and Viticulture**

### **3. Action Plan Structure and Description**

The Action Plan for the Tairāwhiti Economic Development Strategy addresses 2 key strategic areas:

- Enterprise Enabling Initiatives
- Industry and Business Initiatives

For both strategic areas, initiatives that support growth and innovation in existing enterprise within the region are preferred to create a sustainable economic base for the region.

#### **3.1 Enterprise Enabling Initiatives**

The enterprise enabling initiatives are actions that have relevance or impact across all industry sectors. It is likely that these initiatives would be coordinated or managed by TDPMT or the most appropriate lead organisation.

These initiatives are detailed under the following action plans:

- Regional Marketing & Branding
- Industry Education & Training
- Entrepreneurship & Commercialisation
- Innovation & Research
- Transport & Energy

#### **3.2 Industry and Business Initiatives**

Industry and business initiatives are actions that support sustained growth of specific industries or businesses within an industry. The action plans for these initiatives are coordinated by industry organisations or businesses that are best able to engage enterprise within that sector.

These initiatives are detailed under the following action plans:

- Tourism
- Food Enterprise
- Wine and Viticulture
- Forestry and Wood

The initiatives can be classified as having strategies that are either pull strategies or push strategies.

Pull strategies are actions that support growth and innovation in industry leaders within the region. The targeted impact is that working with more successful businesses will “pull” the industry sector performance up in the region.

Push strategies are actions that support growth and innovation in lower performing enterprises within the region. The targeted impact is that working with lower performing enterprises will “push” the industry sector up in the region.

### 3.3 Coordination and Management

For both enterprise enabling and industry and business initiatives, action plans for each need to be coordinated by a lead body.

The bodies coordinating action plans do not necessarily have the responsibility to manage or resource (fund) initiatives contained in the action plans. These tasks are undertaken by the organisation or business most suitable to perform these roles. The key responsibility of the lead bodies is to proactively seek and update information for the initiatives and periodically report this information to TDPMT.

The following is a list of the action plans and the suggested body responsible:

<i>Action Plan</i>	<i>Coordinating lead body</i>
Regional Marketing & Branding	TDPMT
Industry Education and Training	Tairawhiti Polytechnic
Entrepreneurship & Commercialisation	TDPMT
Innovation & Research	TDPMT
Transport & Energy	TDP
Tourism	TDPMT
Food Enterprise	Tairawhiti Land Development Trust
Wine & Viticulture	Gisborne Winegrowers
Forestry & Wood	Eastland Wood Council

Each coordinating body is to report to the TDPMT to ensure a coordinated communication channel to a central management point of regional economic development activity. For the connection and communication to be relevant, the Trustees of the TDPMT should include the Chairs of each of the lead bodies plus suitable representation from the TDP members.

## **4. Action Plans - Enterprise Enabling Initiatives**

**4.1 Regional Marketing & Branding**

**4.2 Industry Education & Training**

**4.3 Entrepreneurship & Commercialisation**

**4.4 Innovation & Research**

**4.5 Transport & Energy**

## 4.1 Regional Marketing and Branding Strategy

**Objective:** Increase the awareness and positive image of the region for visitors, future residents and investors

**Coordinator:** TDPMT

**Participants:** Gisborne Winegrowers, Tourism Eastland, GDC, WDC

### Current Situation

- The Tairāwhiti region has no recognisable brand. The “Tairāwhiti” name itself has a low level of awareness outside of the region.
- There is no one multipurpose, meaningful coordinated brand for the region. There is a set of loosely related brand images, each with narrow application.
- Local enterprises have little opportunity to leverage a regional image to promote their products or services.
- No readily identifiable regional marketing strategy plan for the Tairāwhiti region.

### Strategic Direction

A regional brand needs to be an integrated brand that serves multiple functions:

- Profiling the region as a destination to visitors and promoting the tourism industry
- Promoting the region as a attractive region to reside or invest
- Enabling the region’s enterprises to co-brand products or services with the region’s brand

A single brand image and concept can achieve these objectives as the region does not have the resources to promote several brands. The focus should be on the launch and promotion of the brand to lift awareness, rather than a project to develop a “new” brand. The brand strategy should be a unifying initiative, be meaningful to the region and be flexible enough that Tairāwhiti businesses, products and events can leverage the region’s brand for their own promotion and collaborate with other regional businesses.

The emphasis of this strategy goes beyond brand development to encompass a comprehensive marketing campaign to create and grow awareness and interest in the region.

### Key interview responses

- Brand would be utilised by some businesses / industry, but not others. Some producers of wine and food products identify the region with their brand, usually using the term “Gisborne” or “Eastland”. Other producers see no real benefit for their product identifying the region on their labelling.
- There is no point doing a brand strategy unless there is a marketing / promotional campaign to “roll it out”. This need is demonstrated by the fact that the term “Tairāwhiti” is meaningful within the region, but not recognised outside the region. There is a need for more positive messages about the region - most outside the region have a negative or incorrect perception of what the region has to offer.

- Attracting visitors is a key outcome of the brand and marketing campaign - but attracting skills, new residents and investments is equally important. The brand needs to be able to achieve both. The region is not well promoted to either of these target groups.
- The “first to see the light” concept is not meaningful and does not reflect the unique aspect of the region. There needs to be work done to discover what is the truly unique in the region to an “outsider”. People who live here have a very different view of what the region has to offer to those not from here.

## Initiatives

### A. *Regional Branding Strategy*

Consultation has indicated a preference for the brand to be an image or icon expressing a concept rather than a detailed logo, name or catch phrase. This will enable flexibility in its use and achieve the multipurpose objective. Consultation has confirmed it is desirable that the brand encompasses an appropriate combination the following:

- Our region is the first to see the sun
- The region’s Maori culture is unique and authentic
- Our beaches, coastline and waterfront are beautiful and family friendly
- Our climate is temperate with sunshine and mild temperatures

This project needs to be led by a Steering Group appointed by and reporting to TDPMT. This Steering Group requires representation of key parties who will utilise the brand, including tourism operators, wine growers, event organisers, food producers and TDP members. The Steering Group should also have one member from outside the region to ensure the brand does not reflect current residents’ views but attracts attention of those from outside the region. The Steering Group will also create “brand champions” that will support the launch and use of the brand in the business community.

Once the brand has been launched, the brand needs to be managed by an organisation(s) with the resources to market and promote the brand. It is logical that the GDC and WDC may take up this responsibility after brand launch.

### B. *Regional Marketing Plan & Campaign*

The development of a comprehensive and inclusive regional marketing strategy plan. This should focus on a 3 year campaign to lift awareness of the region and its benefits, products and attractions. It should include a mix of:

- Marketing collateral creation and distribution
- Event promotion and profiling
- Attendance at trade events for industry (wine, tourism etc.)
- Links and alliance with other regional marketing bodies
- Website

## Participants & Commitment

Participants	Commitment expressed	Initiative
Gisborne Winegrowers	Undertaking own brand refresh. Their strategy has key links to tourism. On-going consultation and coordination with this group is vital to enable the region's brand and the Wines of Gisborne brand to be cohesive and leverage from each other.	A & B
Tourism operators, Tourism Eastland, food enterprises, TDP	Prospective members of the Steering Group. Have not been directly consulted regarding membership and involvement.	A & B
GDC &/or WDC	Likely to be responsible for managing, marketing and promoting the brand after launch.	B

## Funding & Milestones

Initiative	Budget	Funding source	Milestones
A. Regional Branding Redevelopment	Estimated \$100,000 (including website redevelopment)	NZTE has indicated they would be supportive of application for funding (including website redevelopment)	<ul style="list-style-type: none"> <li>• Establish project Steering Group by Feb 2010</li> <li>• Scope needs Mar 2010</li> <li>• Determine budget &amp; funding for project by Mar 2010</li> <li>• Confirm funding May 2010</li> <li>• Commissioned Jun 2010</li> <li>• Completed Sep 2010</li> </ul>
B. Regional Marketing Plan & Campaign	To be determined	To be determined	<ul style="list-style-type: none"> <li>• Scope needs</li> <li>• Determine budget &amp; funding for project by Jun 2010</li> <li>• Brand launch Sep 2010</li> <li>• (? TRENZ 2010)</li> <li>• Campaign launch Oct 2010</li> </ul>

## Priority Actions 2009-2011

	Target	Responsibility
1. Establish Steering Group	Feb 2010	TDPMT
2. Apply to NZTE for brand strategy funding	Apr 2010	TDPMT
3. Request for proposal for brand refresh & marketing plan	May 2010	TDPMT
4. Commence regional branding project	Jun 2010	TDPMT

## 4.2 Industry Education and Training Action Plan

**Objective:** Create and grow competent and capable enterprises in the Tairāwhiti region

**Coordinator:** Tairāwhiti Polytechnic

**Participants:** Education and training providers, industry groups, rununga and iwi

### Current Situation

The *Tairāwhiti Regional Statement of Tertiary Education Needs, Gaps and Priorities* published by Tairāwhiti Polytechnic in May 2009 identified industry education and training needs:

- Foundation skills are a fundamental need for the region, especially literacy and numeracy across a range of industries
- Industry needs to be involved in design of training to align with business needs
- Customised training to enable trainees to be work ready
- Greater alignment between secondary and tertiary education and clearer pathways between education and employment
- Promotion of the region as a great place to live and work is required
- Alignment of education and training with iwi development priorities

### Strategic Direction

Economic development and growth of existing enterprises in the Tairāwhiti region can only occur if sufficiently skilled and educated workers are available. These can either be grown “organically” in the region or attracted to the region from elsewhere. In either case, there is a fundamental requirement for a collaborative approach between local business and industry and the education and training sector to share responsibility for aligning the region’s workforce needs with appropriate educational/training opportunities and institutions.

The industry education and training action plan should co-ordinate initiatives for developing and providing education and training locally to meet industry needs within the region.

### Key interview responses

- There are two levels of gaps in industry skill requirements - one is the entry level workforce being “work ready”; the second is the management level skills to lift business performance and enable business growth.
- The land based production sector and wood processing in particular require training that is practical at entry level to provide a supply of required skills. Locally based cadetships in the farm sector are also required to develop skills in the region and retain them.
- Education and training providers in the region are working more collaboratively, led by the Polytechnic. The region is not large enough to sustain competing providers specialising in the same industry, thus a collaborative approach is vital to their sustainability.
- The lack of choices and perceived lower quality of secondary education in the region was consistently identified as a barrier to attracting skills and talent to the region by larger employers.

## Initiatives

The main priorities for action detailed in the *Tairāwhiti Regional Statement of Tertiary Education Needs, Gaps and Priorities* published in May 2009 are identified as:

- Maintaining a collaborative approach to identifying and taking action on needs, gaps and priorities
- Developing work readiness for primary industry
- Establishing a regional literacy and numeracy strategy
- Addressing the technical training needs of the health work force
- Aligning education priorities with iwi development aspirations
- Working on improved coordination of education provision within the region with a focus on links between the compulsory and tertiary sectors
- Exploring the Tertiary High School concept for Tairāwhiti
- Greater coordination and provision of career services, especially for younger people and their families
- Ensuring that Adult & Community Education (ACE) is provided in Gisborne City

A Steering Group was formed to establish a strategy to identify the needs, gaps and priorities for Tertiary Education in Tairāwhiti and to co-ordinate and facilitate ongoing work in this regard. The Tairāwhiti Polytechnic will manage the process. The Steering Group consists of representatives from:

- Business and Industry
- Tertiary providers
- Government agencies
- Community
- Maori organisations
- Runanga
- Secondary schools

Immediate actions plans have already been established from key industry enabling initiatives:

- A. Work-ready programmes for Primary Industry***
- B. Greater coordination of workforce development in the region***
- C. Improvement of Human Resource management capacity***
- D. Closer working relationships between Secondary & Tertiary Education providers and Employers***

The TDPMT as lead organisation of economic development activities should liaise with the Steering Group to monitor the progress on these action plans and provide assistance in an appropriate capacity, if required.

## Participants and Commitment

The many participants involved in consultation and the ongoing work of the Steering Group are detailed in the *Tairāwhiti Regional Statement of Tertiary Education Needs, Gaps and Priorities* published in May 2009.

## Funding & Milestones

Initiative	Budget	Funding source	Milestones
A. Work-ready programmes for Primary Industry	To be determined by Tairāwhiti Polytechnic and its Steering Group	To be confirmed	<ul style="list-style-type: none"> <li>Define “Work-Ready”</li> <li>Collaborate to deliver customised and flexible programmes [Timing defined by Steering Group]</li> </ul>
B. Greater coordination of workforce development in the region	To be determined by Tairāwhiti Polytechnic and its Steering Group	To be confirmed	<ul style="list-style-type: none"> <li>Forum held for ITO and education providers to improve working relationships [Timing defined by Steering Group]</li> </ul>
C. Improve Human Resource management capacity	To be determined by Tairāwhiti Polytechnic and its Steering Group	To be confirmed	<ul style="list-style-type: none"> <li>Targeted HR management education developed and delivered [Timing defined by Steering Group]</li> </ul>
D. Closer working relationships between Secondary and Tertiary Education providers and Employers	To be determined by Tairāwhiti Polytechnic and its Steering Group	To be confirmed	<ul style="list-style-type: none"> <li>Regular hui between education providers and employers (to align education to local industry needs). [Timing defined by Steering Group]</li> </ul>

## Priority Actions

	Target	Responsibility
1. Liaison between TDPMT and the Tairāwhiti Polytechnic led Steering Group to monitor progress on its action plans and provide support where appropriate	Commence ASAP & On-going	TDPMT Tairāwhiti Polytechnic

### 4.3 Entrepreneurship and Commercialisation Action Plan

**Objective:** To create and grow commercially sustainable enterprises in Tairāwhiti region

**Coordinator:** TDPMT

**Participants:** Tairāwhiti Development Partnership Management Trust, Eastland Development Fund Ltd, NZ Trade & Enterprise, Te Puni Kokiri, Business Mentors NZ and local entrepreneurs.

#### Current Situation

Tairāwhiti has many examples of successful innovative enterprises developed from business ideas generated and implemented by locally based entrepreneurs. Several of these enterprises compete nationally and internationally in their respective markets.

Many of these successful entrepreneurs recognise the critical role of funding and support (mentoring) at the feasibility and commercialisation stage of business development. It is from these local business leaders that the concept of the Entrepreneurs' Forum arose.

There are several small business development and training initiatives in the region. These are documented in this action plan to link them with the suggested Entrepreneurs' Forum and each other.

#### Strategic Direction

Innovation and entrepreneurship are fundamental to economic development and growth. The creation of new innovative enterprises or diversification of existing businesses can promote new employment opportunities and stimulate investment. Actions to promote and support activity in this regard underpin the Regional Economic Development Strategy.

#### Key interview responses

- Sustained development of the local economy is more likely to be achieved through investment and development of local enterprises and ideas, rather than attracting large businesses to the region. Historically, the region has been exposed to downturns from businesses divesting from the region. A preference is for investment in local enterprises and ideas, but not to the exclusion of other investment.
- There are a number of successful enterprises grown in the region with funding support at critical stages of development. There is a clear gap in support for businesses and entrepreneurs that was previously services by the Small Business Development Board and other funding sources.
- Only 2 secondary schools are currently involved in the YES programme, compared to 4 or 5 previously.
- Local Entrepreneurs supported the notion of a Forum and were willing to contribute.

## Initiatives

The Entrepreneurship and Commercialisation action plan co-ordinates initiatives for developing and providing opportunities for entrepreneurs to build viable enterprises within the region. It includes initiatives focused on developing entrepreneur capabilities, providing support for entrepreneurs to realise their business aspirations and opportunities to access investment and support to commercialise business opportunities.

The advantage of investing in local entrepreneurs is that it is viewed by many in the region as a way of creating sustainable economic growth as local entrepreneurs are more likely to continue to invest and operate their business within the Tairāwhiti region.

There is also the opportunity to tap into the wealth of knowledge and experience from existing successful enterprises in the region and their entrepreneurial owners.

There are four initiatives in this action plan:

- A. *An Entrepreneurs Forum***
- B. *Small business management training***
- C. *Mentoring services***
- D. *YES programme***

The Entrepreneurs' Forum is a new initiative that has been created from consultation undertaken in the development of action plans for the regional economic development strategy. There are two key stages to this action plan.

- a) Funding for feasibility and business planning: Local entrepreneurs and businesses can apply to access support and/or funding to complete feasibility studies, business plans and market testing to determine the viability of their idea or business concept. To access funding, applicants must submit a formal written business proposition and present this before a "Dragon's Den" style panel of local business people. Applicants receive valuable feed-back from these experienced and successful business people who assess and determine whether the applicant should receive support or funding for feasibility studies or business planning. Local entrepreneurs have indicated that this is a gap in services available for economic development. Many of them previously received such support, funding and feed-back on their business concept in the initial stages and this proved critical to their own success.
- b) Access to funding for commercialisation: A forum would be created to link potential investors, both locally and from outside the region, with entrepreneurs and businesses with viable commercial ideas. These may be sought as a progression from stage 1 above but may also come directly to the forum with a business plan or feasibility study.

These 2 stages would also make local enterprises “investor ready” and more attractive to venture capitalists, business angels and investors.

The criteria for enterprises (or entrepreneurs) to qualify for the funding support might include:

- Eligible businesses need to be small business (e.g. a level of turnover or number of employees)
- The commercial concept needs to make an economic contribution to the region (in line with the Regional Economic Development Strategy)
- Need to undertake small business training or mentoring as identified in the action plan

The entrepreneurs’ panel will be a rotating membership of 8 local entrepreneurs. There will be at least 4 of these on each panel meeting, which should occur 3 to 4 times per year. The panel should also have a guest entrepreneur external to the region to provide a fresh perspective. This person could also be invited to conduct a seminar whilst in the region for the panel meeting to provide business opportunities to entrepreneurs that are not applying to the panel.

This would be supported by the on-going suite of training and skills development programmes specifically for SME owners and managers in the region, including mentoring and coaching programmes. These include:

- Enterprise Training Programme (NZ Trade & Enterprise)
- Maori Business Facilitation Service (Te Puni Kokiri)
- Business Mentors NZ
- YES Programme (Lion Foundation)

Administration and coordination of this action plan would be the responsibility of TDPMT.

### Participants & Commitment

Participants	Commitment expressed	Initiative
Local Entrepreneurs	Local entrepreneurs have indicated a willingness to be involved in the panel.	A
ECT	Interest in the concept, but more interested as an investor with equity than providing funds to a panel to do feasibility studies.	A
Te Puni Kokiri	The Maori Business Facilitation Service is contracted to June 2012.	C
Business Mentors NZ	Mentorship extended to businesses with eligibility criteria:- <ul style="list-style-type: none"> <li>• Trading for 6+ months</li> <li>• Has evidence of accounts (Income &amp; Expenditure)</li> <li>• Employees &lt; 25</li> <li>• Provides owner with primary source of income</li> </ul>	C
NZTE	Unable to provide funds for feasibility studies via entrepreneurs’ forum. May consider funding a project to identify gaps in service to entrepreneurship and innovation and options to fill gaps. Enterprise Training Programme is funded up to June 2010.	A & C
Secondary Schools	YES programme currently supported only by Campion and Ngata Colleges. Local sponsorship is low, with only a \$5,000 pa budget.	D

## Funding & Milestones

Initiative	Budget	Funding source	Milestones
A. Entrepreneurs Forum	Estimates: \$50k pa fund for feasibility studies \$100k pa fund for commercialisation	NZTE is unable to fund a pool for studies, but would fund a project to identify options to close this gap	<ul style="list-style-type: none"> <li>• Launch Mar 2010</li> <li>• 20 applicants to panel by Jun 2010, with up to 6 funded for feasibility</li> <li>• 2 funded up to \$50k each for commercialisation</li> </ul>
B. Small business management training	Estimates: \$150k	NZTE ± \$150k	<ul style="list-style-type: none"> <li>• ETP on-going to Jun 2010</li> </ul>
C. Mentoring Services	Estimates: \$190k	Te Puni Kokiri ± \$190k	<ul style="list-style-type: none"> <li>• Establish local rep for Business Mentors NZ</li> </ul>
D. YES programme	Estimates: \$10k	Lion Foundation ± \$10k	<ul style="list-style-type: none"> <li>• Increase number of schools involved</li> <li>• Identify potential for local funding support</li> </ul>

## Priority Actions

	Target	Responsibility
1. Determine need for project scoping gaps in services to entrepreneurs and options to fill those gaps. If needed, scope project and apply for funding.	Mar 2010	TDPMT
2. Establish the entrepreneurs forum and set criteria, guidelines, operating procedures and membership	May 2010	TDPMT

## 4.4 Innovation and Research Action Plan

**Objective:** Create and grow competitive enterprise in the Tairāwhiti region

**Coordinator:** TDPMT

**Participants:** Research organisations working on projects in the region

### Current Situation

There are a number of research projects being conducted in the region across a range of industries. These involve several or single enterprises and the outcomes and results of such research are often not effectively disseminated through the region.

The region is also at a comparative disadvantage for attracting research projects due to the travel and associated costs of bringing research expertise to the region.

### Strategic Direction

In order for existing and prospective local enterprises to be competitive it is critical they have access to key industry and economic information. The region needs to have a reliable framework and strategy for accessing vital industry knowledge, new technologies and innovations to make well-informed business decisions and seize upon business opportunities.

### Key interview responses

- As the region has no Crown Research Institute, there is less research conducted locally than previously. The cost of airfares or time travel in and out of the region is prohibitive for researchers based in other regions to conduct projects locally.
- Through consultation we have learned that local industries generally believe there would be substantial benefits to more enterprises in the region if they were informed of the results of research projects.
- A preference was indicated that these be communicated face to face with business owners and managers, rather than through documents or reports to stimulate further communication and knowledge sharing

### Initiatives

This action plan is designed to bring together researchers conducting projects in the region.

#### A. *Research and Innovation Forum*

The key initiative is the suggestion of a forum for people involved in industry science and research across industries to increase awareness of local facilities and resources and projects. It would be a time and cost effective means of bringing researchers and enterprises face to face.

It has been suggested that this forum occur twice a year and invitations be extended to researchers (from within and outside the region) and local enterprises. The forum should cover the range of industries in the region, with segments being dedicated to industry sectors (e.g. sheep and beef in morning sessions, horticulture and wine in afternoon session).

### Participants & Commitment

The participants in the suggested forum have yet to be identified. The TDPMT would assume the responsibility for assembling this forum and seeking ongoing commitment to the process.

### Funding & Milestones

Initiative	Budget	Funding source	Milestones
A. Research & Innovation Forum	Estimates: \$10k per forum	Sponsorship	<ul style="list-style-type: none"> <li>Source sponsorship for the event in</li> <li>First event in Sep 2010</li> </ul>

### Priority Action

	Target	Responsibility
1. Identify and apply for funding for first forum in 2010	Mar 2010	TDPMT
2. Create database of research and innovation projects involving enterprises in the region / based in the region	May 2010	TDPMT
3. Plan first forum for late 2010	Jul 2010	TDPMT

## 4.5 Transport & Energy Action Plan

**Objective:** Provision of reliable and affordable transport infrastructure for enterprise in the Tairāwhiti region

**Facilitator:** TDP

**Participants:** Eastland Group, Transport NZ, GDC, WDC, ECT

### Current Situation

The region's transport links are vital for the economy given the geographic isolation and distance from markets. The key transport links are via road, sea / port and the airport.

The airport is serviced predominantly by Air New Zealand and has limited capacity and affordability of seats compared to other routes.

The port has undergone development and more developed is planned. Increasing links through coastal shipping and alliances with Napier and Tauranga ports has also been raised.

There are two key road linkages to markets - via Wairoa and Napier and Opatiki to Bay of Plenty. Also vital are the coastal and rural roads connecting smaller communities in the region. Due to heavy vehicle use, soil characteristics and weather conditions, the continuous maintenance of these roads is vital to enterprises remaining connected to markets.

### Strategic Direction

Given the isolation of the Tairāwhiti region, transport infrastructure is fundamental to sustaining its economy. A long term strategic plan for enhancing transport links is paramount to the future economic development of the region.

### Key interview responses

- The movement of products out of the region (and people and products in) will be determined by cost considerations of businesses. The lowest cost option with reliability and frequency will be preferred by business and industry.
- The port is vital to the region's economic future. Movement of product out of the region will always need a functioning port. Regions / cities with successful economies in New Zealand and overseas commonly have a good port as a feature.
- Air travel in and out of Gisborne is expensive compared to other regions. Although flights are frequent, this high cost prohibits visitor numbers (both tourism and commercial). Continuing to increase visitor numbers via air and reducing cost of travel by air to Gisborne is vital. Continuing to maintain / upgrade airport facilities is also vital.
- Interviewees were divided on the importance of rail, despite being united in other modes of transport. Views ranged from belief the rail had not been viable for a long time and never would be again to the belief that rail should not be closed as this removes an option for transport that could be cost effective in the future and that once closed, rail as an option will not return.

## Initiatives

### A. *Regional Development Rooding*

NZTA allocates funds through the National Land Transport Programme in accordance with the requirements of the Land Transport Management Act, regional recommendations and the prescribed purposes of numerous funding streams. (excerpt from GDC ten year plan 2009 - 2019)

### B. *Regional Transport Strategy*

There are a number of initiatives being considered currently that will shape the future transport of the region. These include coastal shipping, ongoing development of port infrastructure, and railway services / railway uses. A coordinated regional strategy commissioned by TDP or TDPMT could ensure accountability for action and progress on this issue.

### C. *Air New Zealand landing fees subsidy*

ECT currently subsidises the landing fees for the Air New Zealand Q300 aircraft landing at Gisborne Airport.

## Participants & Commitment

The parties likely to be key participants in the investigation into a potential regional transport strategy are the Eastland Group, Transport NZ, GDC, WDC & ECT. Commitment to this process should be engaged by TDP or TDPMT.

## Funding & Milestones

Initiative	Budget	Funding source	Milestones
A. Regional Development Rooding	\$3,400,000 GDC budget in 2010 \$3,498,600 GDC budget in 2011 WDC budget To be confirmed	NZTA	<ul style="list-style-type: none"> <li>Regional Development Rooding fund to cease in 2011</li> <li>Community Transport Fund now available</li> </ul>
B. Regional Transport Strategy	To be confirmed	To be confirmed	<ul style="list-style-type: none"> <li>Needs and benefits of Regional Transport Strategy scoped</li> </ul>
C. Air New Zealand Q300 landing fees subsidy	± \$100k	ECT	<ul style="list-style-type: none"> <li>Continued subsidy secured</li> </ul>

## Priority Action

	Target	Responsibility
1. Scope need for and benefits of a Transport Strategy and Plan	Jun 2010	TDP
2. Continue ECT subsidising of landing fees for the Air New Zealand Q300 aircraft landing at Gisborne Airport	On-going	ECT

## **5. Action Plans - Industry & Business Initiatives**

**5.1 Tourism**

**5.2 Food Enterprise**

**5.3 Wine & Viticulture**

**5.4 Forestry & Wood**

## 5.1 Tourism Action Plan

**Objective:** Create a unified and coordinated tourism sector in the Tairāwhiti region

**Coordinator:** TDPMT

**Participants:** GDC, WDC, Gisborne Winegrowers, Eastland Group, DOC

### Current Situation

The tourism sector in the region is nascent and tourism product is underdeveloped, particularly in the form of a cohesive “package” of experiences. However, the potential for a vibrant tourism industry is substantial given key regional strengths that are desired by visitors:

- The Maori cultural is authentic and a significant part of the region’s character
- The region has a significant and identifiable history, both Maori and European, and is the meeting place of these 2 cultures
- The beaches, coastline and waterfront areas are numerous, scenic and family friendly
- The climate is temperate with high sunshine hours and warm temperatures
- The vineyards and farm landscapes provide a substantial local experience and are a scenic and relaxing backdrop to the region

The heritage and culture of the region (both strong tourism assets) are defined under the “navigations traditions” concept. However, this concept lacks clarity and is an opportunity that requires focus and definition.

There is no widely accepted long term tourism strategy for the region. Enterprises are less able to work collaboratively or to form strategic alliances without the identification of target visitor markets, tourism assets and regional advantages, outlining a clear and practical path forward for the industry.

Given the above factors, there is currently no identifiable platform on which tourism enterprises can base their services or products.

Community assets and some hospitality enterprises have been developed around the waterfront areas of Gisborne, plus redevelopment of the Tolaga Bay wharf is underway. Mahia Peninsula and Lake Waikaremoana provide scenic and unique water activities and experiences for visitors. However, most initiatives and development remain ad hoc in nature.

### Strategic Direction

A coherent long term tourism strategy needs to be developed which considers who the intended visitor market is, and how best to integrate and combine the region’s primary assets which are the beaches, the climate, the culture and the heritage. This will:-

- a) Highlight where the region’s marketing initiative should be focused; and
- b) Provide a framework around which individual enterprises can base their operations.

Further development of the culture and heritage aspects of the region also need further consideration as these are a major point of differentiation, yet they remain significantly underdeveloped in a cohesive and controlled manner.

Attractions and infrastructure should continue to be developed around the waterfront and beach areas in order to focus visitor attention on the region's main natural assets.

### **Key interview responses**

- Tourism is a key opportunity for the region's future. The industry is currently underdeveloped with many good opportunities not leveraged for an benefit (e.g. events like Rhythm and Vines has few enterprises taking advantage of the influx of cashed up visitors and there is no coordinated effort to get them to stay longer).
- The region's residents do not appreciate or value what the region has to offer visitors and this has led to underdevelopment of potential tourism assets. There has also been resistance to allowing visitors access to the region and lack of appreciation of the benefits visitors can bring to the region. Not just in spend, but today's visitors are tomorrow's future residents and investors. In short, the region undersells itself.
- The tourism assets and facilities do not lend themselves to high volume tourism but rather to niche, high spend tourism. Yet there is no clarity of the target market the region wants to attract, what image is required to attract them or what experiences and assets should be developed to engage them to spend whilst visiting.
- Tourism Eastland's role is to promote the region to visitors and to support tourism operators. Developing tourism assets and experiences goes beyond their role and requires higher level strategic resources than this organisation can currently offer. They need to continue their defined role, but other higher level commitment is required to progress the tourism sector.

### **Initiatives**

Based on the region's assets, the two underdeveloped opportunities are in Maori culture and the region's history. The region needs a clear plan that can draw these elements together and map out an infrastructure development programme that will serve as a catalyst for business and tourism product development.

It is also timely to consider the development of a comprehensive tourism strategy that clearly identifies the region's tourism assets and strengths and the tourism market segments that the region should be looking to attract.

#### **A. *Navigations/Voyaging project***

Consultation has indicated that the project should be a heritage precinct development linking the waterfront, inner harbour, Kaiti Hill and beach area of Gisborne city. Strong connections to other key cultural and heritage sites in the wider Tairāwhiti region will be a key focus.

#### **B. *Waterfront facilities and development***

Continued development of facilities and community assets in waterfront and beach locations. This development needs to be managed in a considered and coordinated manner through identification of suitable land and careful management of the mechanisms that will promote such development.

### C. Tourism strategy

Assess the feasibility of a comprehensive tourism strategy including possible sources of funding. This may lead to the development of a comprehensive tourism strategy that considers all aspects of objectives/goals, target markets, SWOT, marketing channels, transport and infrastructure.

#### Participants & Commitment

Participants	Commitment expressed	Initiative
GDC, WDC , Eastland Group	Have on-going plans to maintain and develop community facilities and waterfront areas for recreation and visitors. Inner harbour will continue to be developed as both a transport hub and a visitor experience. These parties would be involved in any further planning.	A, B & C
Iwi	Maori culture is a vital component of tourism development. As such iwi would be a key drive of tourism development (both product and strategy). Turanganui a Kiwi has indicated tourism is a key focus of economic development and Ngati Porou has indicated it is a second level economic development focus.	A & C
Gisborne Winegrowers Tourism Eastland Tairawhiti Museum	Gisborne Winegrowers recognise the link between wine sector and tourism sector development and as such are seeking to work closely with tourism sector initiatives. Tourism Eastland to continue their role in promotion and industry development.	A & C
Tourism operators, accommodation providers, hospitality and retail enterprises	On-going consultation, involvement and commitment from enterprises in the sector needs to be sought to ensure developments are leveraged into economic activity.	C

**Funding & Milestones**

Initiative	Budget	Funding source	Milestones
A. Navigations / Voyaging project	To be confirmed	To be confirmed	<ul style="list-style-type: none"> <li>Feb 2010: Completion of pre-feasibility study</li> <li>April 2010: Disseminate the concept plan for project</li> </ul>
B. Waterfront facilities and development	\$1,000,000 for cycleways and walkways Inner harbour to be confirmed	75% NZTA 25% GDC  GDC and Eastland Group	<ul style="list-style-type: none"> <li>Cycleways and walkways development</li> <li>Inner harbour development in Gisborne from 2014</li> </ul>
C. Tourism Strategy	To be confirmed	To be confirmed	<ul style="list-style-type: none"> <li>Scope the cost / benefits of the formulation of a Tourism Strategy</li> <li>Identify possible sources of funding for Strategy development</li> <li>Identify lead organisation</li> </ul>
D. Tourism promotion in the region	\$300,000	GDC	<ul style="list-style-type: none"> <li>Determined by GDC</li> </ul>

**Priority Actions**

	Target	Responsibility
1. Complete pre-feasibility study for the Navigations project	Feb 2010	TDPMT
2. Implement plan for Navigations project based on study results	From Apr 2010	TDPMT
3. Determine costs/benefit of a tourism strategy	May 2010	TDPMT
4. Identify possible sources of funding for tourism strategy	May 2010	TDPMT

## 5.2 Food Enterprise Action Plan

**Objective:** Improve economic returns from food industry business through sustainable increases in productivity from the land plus increased value adding processing of land based products

**Coordinator:** TLDT

**Participants:** TLDT, Federated Farmers, Meat and Wool Board, Ag First, Tairawhiti Organics, Food production and processing enterprises

### Current Situation

Food production and food processing enterprises both currently face a number of key challenges, and two of the more significant issues are common to both production and processing. Firstly, the geographic isolation and distance to market, and the associated cost of transportation, increases overall cost and thus reduces margins. Secondly, suitable skills and labour is difficult to attract and retain, especially for those enterprises that are based in remote and high country.

However, although significant for the region, the scale of enterprises engaged in land production and food processing is generally lower than other regions. Thus, many enterprises in these sectors, particularly those in land production, do not have the capability to undertake initiatives and research on their own, underlining the importance of coordination and collaboration.

There are two main land uses within food enterprises:

- Sheep and beef production and processing
- Horticulture and crop production and processing

Sheep and beef production enterprises are numerous in the region, but are disconnected and tend to operate in isolation. There is also a significant performance gap between high performers and low performers. In particular, Maori multiple owned land produces significantly lower yields in comparison to other land, and this provides substantial opportunity for economic growth.

The sheep and beef industry in the region also displays a high level of disconnection between production and processing businesses. There are few (one identified) businesses that operate as both in the region.

In the horticulture and crop sector, there are a small number of major players, and these generally participate at regional, national and global level. These enterprises are often involved in both land production and food processing stages of the value chain.

## Strategic Direction

Two areas need to be considered as two distinct, yet connected, parts of the same value chain, namely;

1. Land production; and
2. Food processing

These 2 sectors are combined as one priority area as industry players consider it vital to create co-operation and collaboration (or at least communication) between and across these sectors as they are part of the same value chain that delivers food to consumers.

Land production strategy should focus on producing better yields from the available land, particularly through promoting and introducing better farming practices and through better knowledge sharing and collaboration.

Food processing strategy should focus on how to encourage more food processing enterprises to process within the region rather than land based product being transported away from the region for further processing.

## Key interview responses

- Multiple owned Maori owned land production has substantial opportunity for improvement and economic growth. Issues to be address focus on on-farm practices & policies and governance & management development issues.
- This sector is important as it represents a significant opportunity for economic growth as it leverages a key competitive advantage of the region - its fertile land.

## Initiatives

The food enterprise action plan should co-ordinate initiatives in food production and food processing. These include land production and land utilisation for food production and processing or value adding to food that is produced.

The rationale for having one action plan for the production and processing enterprises across sheep and beef and horticulture product areas is to gain connection and synergies for enterprises in the region. Given the scale of industries and the regions relative isolation from markets, there is an opportunity to leverage the knowledge and commercial acumen amongst enterprises.

The priority for initiatives in this action plan is heavily biased towards increasing land productivity and economic return from the land, rather than food processing. This rationale for this is twofold. Firstly, the productivity from land in the region is generally low and there are opportunities for improvement that will be achievable in a relatively short timeframe, especially for multiple owned Maori lands. Secondly, until land productivity in the region is increased, there are insufficient volumes in key product categories to easily enable viable participation in further processing and value adding activities.

The coordination of this action plan is with the Tairāwhiti Land Development Trust. To conduct this role effectively, the Trust will need to expand its scope and Trustee membership to reflect the initiative undertaken in the action plan and to promote the connection between production and processing.

**A. Farm programmes**

- Te Taumata programme
- Hikawai Uawa programme
- Arai Matawai programme
- Tapuaeroa programme
- Others

These are independent programmes aimed at introducing and encouraging better farming practices so that land production and yields are increased.

**B. Business group meetings**

Meetings of farm businesses and operators to review performance and share knowledge with a view to improving the performance of all. Full financial disclosure and benchmarking will be encouraged. Cluster groups are likely in:

- Whangara
- Rere
- Waipaoa
- Topflight
- Wairoa
- Matawai

**C. Organics Mentoring Programme**

A programme lead by Tairāwhiti Organics that promotes sustainable land management and organics through the provision of mentors, field days and workshops.

**D. Industrial Wastewater Separation**

A project lead by GDC and involving the region's major processing industries:-

- Cedenco Foods
- Bernard Matthews NZ Limited
- GisVin Limited
- Leaderbrand
- Pernod Ricard New Zealand

Currently the cost of treating industrial effluent falls on these industries and they must meet the associated on-site capital costs (~ \$8m). This imposes significant costs to these.

GDC and this group of enterprises are jointly addressing the issue and investigating options to alleviate this burden from these enterprises that are critical to the regional economy.

## Participants & Commitment

Participants	Commitment expressed	Initiative
TLDT	Interest in a change of activity focus to broaden to include production and processing sectors, but not confirmed by trustees.	A
AgFirst	To continue its programmes and willing to be involved via the TLDT.	A & B
Tairawhiti Organics	Conducting mentoring programme over next 2 years.	C
Sponsors	Sponsors fund programmes across initiatives including PGG Wrightsons, Affco, Ravensdown, Bernard Matthews.	A, B & C
Industrial Wastewater Separation affected parties: GDC (lead) Cedenco Bernard Matthews GisVin Leaderbrand Pernot Ricard)	Working collectively to resolve the issue for themselves and other enterprises with similar cost burdens.	D

## Funding & Milestones

Initiative	Budget	Funding source	Milestones
A. Te Taumata Programme	To be confirmed	MAF (funds pending) participating businesses	<ul style="list-style-type: none"> <li>Funding to be secured Feb 2010</li> </ul>
B. Hikawai Uawa Programme	To be confirmed	NZTE - MRI funded participating businesses	<ul style="list-style-type: none"> <li>Continue to December 2010</li> </ul>
C. Arai Matawai Programme	To be confirmed	NZTE - MRI funded participating businesses	<ul style="list-style-type: none"> <li>Continue to June 2010</li> </ul>
D. Tapuaeroa Programme	To be confirmed	NZTE - MRI funded participating businesses	<ul style="list-style-type: none"> <li>Continue to December 2010</li> </ul>
E. Business Group meetings (6 groups)	n/a	Self funded by participating businesses	<ul style="list-style-type: none"> <li>To be confirmed</li> </ul>
F. Organics Mentoring Programme	\$20,000	MAF Sustainable farming fund	<ul style="list-style-type: none"> <li>To June 2011</li> </ul>
G. Industrial Wastewater Separation	\$7.2m capital cost	To be determined	<ul style="list-style-type: none"> <li>Resolution timeframe to be determined</li> </ul>

**Priority Actions**

	Target	Responsibility
1. Secure funding for the Te Taumata programme from MAF	Feb 2010	TLDT
2. Refine focus of the TLDT and consider a change of name	May 2010	TLDT
3. Expand/change trustees to reflect new focus of the Trust	May 2010	TLDT
4. TLDT host hui of reps of each activity area and trustees	Jun 2010	TLDT

## 5.3 Wine and Viticulture Action Plan

**Objective:** Create sustainable viticulture enterprises in the region  
Evolve the viticulture industry into a wine industry

**Coordinator:** Gisborne Winegrowers

**Participants:** Viticulturalists, wineries

### Current Situation

The region is a high volume grower of quality grapes and a supplier to major wine producers and has been for many years. However, the region has not yet developed a significant wine making/ winery industry to match the level of grape production, thus the region's industry is viticulture rather than wine and winemaking.

A small number of boutique wineries do exist within the region, but these wineries utilise a relatively small proportion of the locally grown grapes.

A significant proportion of locally grown grapes are sold to one or two major wine companies who produce the wine. Within the last 12 months, a major purchaser, Pernod Ricard, has signalled on-going reduced demand and price for the regions grapes.

As a result, the local industry, through Gisborne Winegrowers, has responded promptly and positively and employed a Marketing Director to support the future of the region's growers and small number of wine producers.

### Strategic Direction

Industry players have advised that a brand refresh is required which captures the quality and uniqueness of wines from grapes in the Tairāwhiti region, and will be a more visible and clearer symbol of those attributes.

It has also been recognised that a more coordinated and targeted marketing campaign for the region's grapes and wines is necessary in order to optimise returns.

Initiatives are also required to improve local production, particularly in the areas of researching new varieties and reducing the susceptibility to disease.

### Key interview responses

- The approach to the wine industry in the region has been as “growers of grapes” rather than “wine makers”. This has led to the current industry structure.
- There is also a strong link between the wine and tourism sectors, both in New Zealand and overseas. Currently there is a relatively limited offering to visitors from this sector, so there appears to be significant opportunity for the tourism and wine sectors to leverage one another's growth for mutual economic benefit.
- A quality mark or brand for the regions wines was considered but it was determined this brand or quality mark would be complex to administer and had little support from major wine producers that use the region's grapes.

## Initiatives

The wine and viticulture action plan co-ordinates initiatives in developing sustainable viticulture enterprises and a vibrant wine industry in the region.

This action plan brings together businesses in viticulture and wine production to grow the profile of Gisborne wines. Actions are to enable enterprises in this sector to individually or collectively grow a sustainable business.

### **A. *Wines of Gisborne brand refresh***

Redesign the Wines of Gisborne brand logo so that it is clearer, more visible and is synonymous with the Tairāwhiti region. Compile an exclusive collection of images of the wine region to support the Wines of Gisborne brand logo.

### **B. *Wines of Gisborne brand communication***

Incorporate the new brand logo and photographic imagery into the redevelopment of all existing consumer touch points:

- Roadside Signage
- Airport Display
- Website
- Stationary
- Event Collateral
- Regional Wine Map
- In-Store Point of Sale

### **C. *Development of Gisborne's wine tourism offering***

- Develop a centrally located Wines of Gisborne Information Centre to promote all of Gisborne's wines, cellar doors and wine tourism activities
- Develop Gisborne's wine tourism offering and cellar door experience
- Develop and deliver a range of new premium wine events

### **D. *Wine industry regional marketing plan***

Gisborne Winegrowers have employed a marketing manager and are developing a regional marketing plan. The key objectives of this marketing plan are to:

- Engage wine consumers, trade, media and corporate wineries with a unique and compelling brand identity for Wines of Gisborne
- Enable Gisborne's wine industry to work together as one collective group
- Ensure Gisborne people are educated, passionate and proud of Gisborne wine
- Assist wineries in developing tailored and effective marketing strategies

Budget estimates based on Gisborne Winegrowers Marketing Plan and may be subject to change.

### **E. *Research projects***

Various projects researching new grape varieties, plus sour rot trial.

## Participants & Commitment

Participants	Commitment expressed	Initiative
Gisborne Winegrowers	Employed a Marketing Director and approved a marketing plan for the	A, B, C & D
NZ Winegrowers Group, MAF	Provide funding and support for research initiatives.	D

## Funding & Milestones

Initiative	Budget	Funding source	Milestones
A. Wines of Gisborne brand refresh	\$20,000	Gisborne Winegrowers	Completion timeframes to be set by Gisborne Winegrowers
B. Wines of Gisborne brand communication	\$125,000	Gisborne Winegrowers	Completion timeframes to be set by Gisborne Winegrowers
C. Development of Gisborne's wine tourism offering	\$105,000	Gisborne Winegrowers	Completion timeframes to be set by Gisborne Winegrowers
D. Wine industry regional marketing plan	Estimate: \$100,000 for additional marketing activities	Gisborne Winegrowers	Completion timeframes to be set by Gisborne Winegrowers
E. Research Projects	To be confirmed	To be confirmed	To be determined

## Priority Actions

	Target	Responsibility
1. Redesign of the Wines of Gisborne brand logo so it is clearer, more visible and is unique/synonymous with Tairāwhiti region	From Dec 2009	Gisborne Winegrowers
2. Incorporate both the new brand logo and photographic imagery into the redevelopment of all existing consumer touch points	From Dec 2009	Gisborne Winegrowers
3. Secure a lease, fit out and open a Wines of Gisborne Information Centre to Centre to promote Gisborne's wines, cellar doors and wine tourism activities	From Dec 2009	Gisborne Winegrowers
4. Gisborne Winegrowers Marketing Director to investigate and initiate marketing strategy for regions' wine and viticulture sector. Marketing activities planned next 12-18 months	From Dec 2009	Gisborne Winegrowers
5. Proceed with various research projects underway and planned involving grape growers in the region	From Dec 2009	Gisborne Winegrowers

## 5.4 Forestry and Wood Action Plan

**Objective:** Grow a sustainable wood production and processing industry in the region

**Coordinator:** Eastland Wood Council

**Participants:** Forestry industry, forest land owners, wood processors

### Current Situation

The Forestry industry works through its representative organisation the Eastland Wood Council.

The imminent enactment of the Emissions Trading Scheme (ETS) legislation will necessitate the industry to consider what could be far reaching implications for its enterprises. Until such time as this legislation becomes law and is fully understood by the industry, there is little scope for major decision making or the implementation of strategic initiatives.

When the ETS is enacted, the industry and its enterprises will be better placed to revise and update plans for development and investment.

### Strategic Direction

Pending enactment of the ETS legislation and greater certainty of industry influences such as exchange rates and market demand.

### Key interview responses

- Access to forests on the East Coast and transport / processing issues have a significant impact on the economic viability of the industry.
- Certainty and predictability are required for investment. Market demand, exchange rates, shipping costs and product prices are variable at present. By June 2010, some elements may be more stable and enable greater certainty and future planning.
- The anticipated commencement of construction of the Hikurangi Forest Farm processing plant is vital to the industry in the region.

### Initiatives

No initiatives have been developed pending release of ETS legislation. These initiatives to be documented and up for consideration by mid 2010, once ETS implications have been understood.

The Eastland Wood Council assumes a communication role. Investments and activities would be undertaken directly by the wood or forestry enterprise itself.

### Priority Action

	Target	Responsibility
1. TDPMT liaise with Eastland Wood Council re update on industry initiatives	Mar - Jun 2010	TDPMT

## Appendices

APPENDIX A - Methodology

APPENDIX B - Interviews and consultations

APPENDIX C - Funding sources summary

APPENDIX D - Action Plan Management & Coordination Structure Map

## **APPENDIX A      Methodology**

To complete the consultation and development of an action plan, there were two levels of consultation required:

1. Consultation with key stakeholders that will be involved across a number of the strategy initiatives;
2. Consultation with other parties that will be involved in primarily one of the strategy initiatives.

The methodology for completing the consultations and action plans referred directly to the work that has been conducted and information compiled to date as summarised in the “Lifting Our Game” publication.

Face to face interviews and small group meetings were held to develop a sense of the level of commitment of the key parties that need to be involved to implement any programme or activity.

For each of these strategy initiatives, potential investors or funders were also consulted where appropriate.

Progressive reports on the findings and outcomes of this project were provided on 23 October and 20 November.

From this information, an Action Plan report has been completed.

## APPENDIX B Interviews and Consultations

During this project, a total of 42 interviews and group meetings were completed with a total of 37 people. Below is a list of the people involved in those consultations.

Wayne File	Affco
Peter Andrew	Agfirst
Colin Christie	BDO Gisborne Ltd
Sean Naden	Bernard Matthews
Brian Shanks	Bulmer Harvest
John Corson	Corson Grain Ltd
Matt Todd	Eastland Group Ltd
Trevor Halson	Eastland Wood Council
Claire Radomski	Employment consultant
Hamish Cave	Federated Farmers
Lindsay McKenzie	Gisborne District Council
Phil Wauchop	Gisborne District Council
Nadine Thatcher	Gisborne District Council
John Clarke	Gisborne Winegrowers
Simon Gardiner	Gisborne Winegrowers
Gary Alexander	Integrated Foods Ltd
Rangi Manuel	Kahungunu Ki Te Wira
Andrew Vette	Leaderbrand
Murray McPhail	Leaderbrand
Anne Tolley	Minister of Education
Elizabeth McMaster	NZ Trade & Enterprise
Emma Glen	NZ Trade & Enterprise
Geoff Thorpe	Riversun
Michael Muir	Tairāwhiti Development Partnership Management Trust
Kingi Smiler	Tairāwhiti Land Development Trust
Chris Torrie	Tairāwhiti Land Development Trust
Kerry Beattie	Tairāwhiti Organics
Judy Campbell	Tairāwhiti Polytechnic
Mere Pohatu	Te Puni Kokiri
Deanna Harrison	Te Puni Kokiri
Dr Monty Soutar	Te Runanga o Ngati Porou
Ronald Nepe	Te Runanga o Turanganui a Kiwa
Graham Breckell	Tourism Eastland
Ross Corbett	Tourism Resource Consultants
Jimmy Young	Tourism Resource Consultants
Graham Johnson	Waipaoa Vineyards Ltd
Peter Freeman	Wairoa District Council

## **APPENDIX C      Funding Sources**

The tables on the following pages are a summary of potential sources of funding that were identified during the project.

Source	Program	Description	Funding Amount	Meat & Wool	Forestry	Horticulture	Tourism	Viticulture
AGMARDT	Agribusiness Innovation Grant	To provide seed funding for primarily farmer/grower groups to develop and evaluate innovative ideas to a stage where they can be applied or attract other funding for further development or commercialisation.		✓		✓		✓
Department of Internal Affairs	Community Development Scheme	Fund communities to employ community development project workers who work on community-driven projects over three years.	Up to \$240,000 over 3 years	✓	✓	✓	✓	✓
Eastland Community Trust (ECT)	Community Investment	Each year the trust allocates a portion of its post tax net profit to community investment for projects the trust agrees will enhance economic development and growth for the region.		✓	✓	✓	✓	✓
EECA	Audit Grants	To conduct an audit of a business' energy use, resources, design and practices to help identify energy saving opportunities.	Up to \$50,000 (50% of the total project cost)	✓	✓	✓	✓	✓
EECA	Technology Grants	To help businesses invest in energy efficient technologies that are new or underutilised in NZ.	Up to \$100,000 (40% of the total project cost)	✓	✓	✓	✓	✓
EECA	Wood Energy Grants	Supporting the development of the wood energy market by providing funding so that businesses can adopt this renewable and cost-effective source.	Up to \$200,000 (40% of the total project cost)	✓	✓	✓	✓	✓
FIDA	Forestry Industries Development Agenda	To allocate government and industry funding for agreed initiatives and projects in the area of: Marketing development, market access, bio-energy, labour and skills, and excellence in wood design.	\$18.2m total fund pool		✓			
FoRST	Maori Innovation	To unlock the innovation potential of Maori resources, knowledge or people for the benefit of NZ.		✓	✓	✓	✓	✓
FoRST	Research Consortia	Investing in research on secondary and tertiary production to research outcomes that lead to significant benefits to NZ.	\$500,000 to \$2.5m	✓	✓	✓		✓

Source	Program	Description	Funding Amount	Meat & Wool	Forestry	Horticulture	Tourism	Viticulture
Lottery	Lottery Significant Projects Fund	To enable large scale community benefit projects to be completed in the areas of arts, culture and heritage, sport and recreation, conservation and environment, economic development, and visitor services and tourism.	Less than \$1m				✓	
Lottery	COGS (Community Organisation Grants Scheme)	For the government and communities to work together to build strong, sustainable communities, and to provide strong social services.	\$11.4m total fund pool	✓	✓	✓	✓	✓
MAF	Afforestation Grant Scheme	Encourages the establishment of new forests.			✓			
MAF	Community Irrigation Fund	Aims to build resilience in agricultural producers and rural communities, and ensure their long-term economic growth within sustainable environmental limits by reducing the risks they face from water shortages caused by climate change.		✓				
MAF	Primary Growth Partnership	Invest in significant programmes of research and innovation to boost the economic growth and sustainability of NZ's primary and food sectors including forestry.	Up to \$2m for each industry	✓	✓	✓		✓
MAF	Sustainable Farming Fund - Main Fund	Invests in farmer, grower and forest-led projects that deliver economic, environmental and social benefits to NZ's primary industries.	Up to \$20,000	✓	✓	✓		✓
MAF	Sustainable Farming Fund - Climate Change	Funding specifically for projects that focus on climate change.	Up to \$20,000	✓	✓	✓		✓
Ministry of Tourism	Tourism Facilities Grant Programme	Assists with the provision of physical facilities that cannot be made available on a commercial basis	\$300,000 total fund pool				✓	

Source	Program	Description	Funding Amount	Meat & Wool	Forestry	Horticulture	Tourism	Viticulture
NZTE	International Growth Fund	Targeted at businesses most likely to succeed internationally and in the short to medium term and contribute to NZ's long-term economic growth.	\$100,000 to \$1m	✓	✓	✓	✓	✓
Poutama Trust	Business Growth Investment	Enables existing business to purchase products and/or services that will help their business grow.	Up to \$10,000	✓	✓	✓	✓	✓
Skeltons	Skeltons Viticulture Development Grant	To enhance the competitive advantage and future wellbeing of the East Coast viticulture industry, encourage originality and foster continual improvement ensuring Gisborne, Hawkes Bay and the Wairapapa remain leaders in viticulture industry innovation.						✓
Tech NZ	Technology & Capability	Supports companies and people undertaking R & D projects that result in new products or services.	\$10m total fund pool	✓				
Te Puni Kokiri	Maori Potential Fund	To better position Maori to build and leverage off their collective resources, knowledge, skills and leadership capability to improve their overall quality of life.		✓	✓	✓	✓	✓
The Tindall Foundation	Working Together More Fund	Funding is based on the broad principles of community development (including encouraging enterprise and employment)	\$10,000-20,000	✓	✓	✓	✓	✓

## **APPENDIX D      Action Plan Management & Coordination Structure Map**