

# Application for Funding

## About this form

This form enables you to make an application for funding under any of the three investment tiers for the Provincial Growth Fund:

- Regional Projects and Capability;
- Sector Investments; and
- Enabling infrastructure projects.

The information you provide will help us to assess and evaluate eligible projects and investment opportunities.

## Next steps

We will review your application to further test suitability and risk and to make a decision on suitability for funding. We will be in contact where further information is required and we may provide you advice and support (i.e. from regional advisors) where necessary throughout this next stage of the process.

## Instructions

Please complete the 'Application Form' section below, which is compulsory. In addition, please complete the parts of this application form that are relevant to your proposal. If the answer box is not big enough, please attach a document that provides the answer/s when you submit the form.

Please provide as much detail as you are able to, as appropriate to the size and complexity of your proposal.

If compulsory or relevant information is missing, this may slow down the application process as we will need to contact you.

You can find the terms and conditions of applying for Provincial Growth Fund investment in **Appendix 1**. You must agree to these terms and conditions as part of submitting this application.

We also attach a copy of the Eligibility and Assessment criteria in **Appendix 2** to provide further context.

## Submitting your application

Please email your completed form to [PGF@mbie.govt.nz](mailto:PGF@mbie.govt.nz).

## A. Application Form (Compulsory section)

1. Proposal Name:

Croesus Road Upgrade

2. Please provide the name of applicant organisation/entity:

Grey District Council

3. What is the physical address of the applicant's organisation?

105 Tainui Street, Greymouth, West Coast New Zealand, 7805

4. Please provide the contact details for the applicant's organisation (including a specific person as a point of contact):

Paul Pretorius, Chief Executive Officer

5. Please describe the principal role or activity of the applicant organisation.

Territorial Authority provides a community governance role and delivers infrastructure, facilities and regulatory services to the Grey District community, West Coast, New Zealand.

6. Please provide a brief summary description of the project, including its location, purpose and history.

The project proposes to widen Croesus Road at Blackball to accommodate predicted increased volumes of vehicles and cycles safely as a result of the Paparua Great Walk (the "Walk") and associated Pike 29 Memorial Track currently under construction by the Department of Conservation across the Paparua Range. Should this project not progress access to the Great Walk will have to be restricted, with adverse effects on the potential economic impact of the Great Walk and on the experience of the Walk

Full details and background are included in the attached documents

- \* Blackball Strategic Case
- \* Blackball Indicative Business Case

7. Please describe (or re-affirm) which industry or sector/s the proposal is relevant to.

Tourism, domestic and international tourists. The Great Walk is likely to be used for competitive recreation events. Support industries including but not limited to Accommodation, Food and Transport will also benefit from the new Walk and the improved access from Blackball end of the Walk.

8. In what location/region/s is the proposal to be based? What is the name of the relevant District as detailed on the Local Government New Zealand website: <http://www.lgnz.co.nz/nzs-local-government/new-zealands-councils/>

Location is near Blackball, West Coast New Zealand. (Refer pages 2 and 3 Blackball Indicative Business Case).  
Relevant Territorial Authority is the Grey District Council (the applicant)

9. Please provide full names of the project's leadership team, including your chief executive, directors and trustees (as appropriate).

- Peter Haddock - Councillor for Land Transport and Member of the Regional Land Transport Committee
- Paul Pretorius - Chief Executive Officer
- Mel Sutherland - Manager - Assets Management & Engineering
- Privacy of natural persons - Transport Engineer - Team Leader

10. If different from the applicant, who would be the 'contracting party' with the Crown under any successful contract?  
Please provide the full name.

Grey District Council.

11. Are there any other Partners within this project? (i.e construction, design or other significant partners).  
If so, please provide their names.

New Zealand Transport Agency

Contact person - Rhys Palmer/ Principal Transport Planner

System Design & Delivery

DD| Privacy of natural

12. Is the applicant or the contracting entity insolvent or subject to any insolvency action, administration or other legal proceedings?

No.

13. Is any individual involved in the application, the proposed contracting entity or the project an undischarged bankrupt?

No.

14. Is any individual under investigation for, or has any individual been convicted of, any offence that has a bearing on the operation of the project?

Comments

No.

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15. Conflicts of Interest: Please detail any actual, potential or perceived conflict of interest that the applicant(s) or any of the key personnel have in relation to this project.

*"In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully..."*

<https://www.oag.govt.nz/2007/conflicts-public-entities>

Comments

None at this stage.

Council has in place policies and procedures for the declaration of conflicts of interest if they should arise.

PROACTIVELY RELEASED

#### B. Strategic Case and Regional Alignment

1. How does the project propose to act as a catalyst to lift the productivity potential of the region where the project is based?

This project is a priority action in the 2017 West Coast Economic Development Strategy Action Plan. From this a feasibility study has been completed in the form of a Strategic Case and Indicative Business Case to support the project.

The new Paparoa Great Walk will attract more visitors to the West Coast. This will help the region achieve its objective of obtaining more value from Tourism by increasing the length of visitor stays and increasing their expenditure. The upgrade of the Croesus Road at the Blackball end of the new Walk is an essential complement to the Walk as it will greatly improve both the road itself and visitor safety. The new Walk also provides opportunities for Blackball residents.

The outcomes of the business case work to date indicate that there will be a level of service gap on the Croesus Road for safety and accessibility when the track opens and traffic and cyclist volumes are expected to increase significantly. Assessments indicate that by 2024 there will be a tenfold increase in traffic on the upper 5 kilometers of the Croesus Road from current annual average traffic volumes of 10 vehicles per day to 100 vehicles per day. The lower section (first one kilometer) of the Croesus Road is also subject to ongoing coal truck traffic of 95 vehicles per day from the nearby Roa Coal Mine.

The project is also identified in the West Coast Regional Land Transport Plan (from page 24) submitted to NZTA in July 2018 and the Grey District Council's Long Term Plan 2018-2048. (from page 14), adopted 25 June 2018.

2. How does the project align with the objectives of the Provincial Growth Fund:
- More permanent jobs;
  - Benefits to the community and different groups in the community;
  - Increased use and returns for Māori from their asset base (where applicable).

The benefits of investment include increased visitor stays and extended stay lengths, increased recreational amenity, increased opportunity for new business activities and improved access and safety.

The project will complement the DoC work developing the Great Walk, which will provide huts and potentially cater for thousands of trampers and mountain bikers each year.

The Department of Conservation (DoC) is upgrading the Paparoa Track for completion by April 2019. The track will be the 10th Great Walk in NZ, linking the end of the Croesus Road (6km from Blackball) to Punakaiki and the new Pike29 Memorial Track (a tribute to the Pike River mine disaster). The Paparoa Track project is included in the Regional Economic Development Action Plan and draft 2018-21 Regional Land Transport Programme.

It will be a dual-use track, allowing walkers and mountain bikers to use the track year round. Currently 1,000 visitors per annum use the Croesus Track. The conservative forecast for the Paparoa Track is 10,000 visitors per annum by 2024.

3. Please provide a detailed description of the project, including the objectives and business need.

Access to the start of the Paparoa Track at the Smoke-ho car park is via the 6km long Croesus Road, northwest of Blackball. Croesus Road is a former mine track that is unsealed, narrow and has experienced land slips in the past. There are few passing opportunities, steep drops, hairpin bends and vegetation can reduce visibility. The road is not safe for increased tourist traffic and cycling volumes.

The project proposes to widen Croesus Road to safely accommodate the predicted increased volumes of vehicles and cycles. Should the proposal not progress access to the track will have to be restricted, impacting on the potential economic growth and community experience.

This application is for a Confidential information advance to enable the pre-implementation (detailed design, consenting and preparation of construction procurement documentation) to commence immediately on completion of the investigation phase business case. This includes Confidential information for consultant's costs and an estimated Confidential information for managed costs and contingency.

We are also seeking approval in principle for the funding of the road improvement work, subject to satisfactory completion of the pre-implementation work that is subject to this application.

A funding application for the overall project will be lodged later in 2018. Awarding pre-implementation funding will retain the opportunity for the project to be completed in time for the Paparoa Track opening.

4. Please provide a description of how the project aligns to the Government's additionality objective under the Provincial Growth Fund (including infrastructure, Māori assets/development, sustainability, investment tiers and regional development plans).

The upgrade of the Croesus Road is essential if the full economic benefits of the new Paparoa Track are to be realised, while ensuring the safety of visitors using the road. Also, the expected 10 fold increase in visitors by 2024 should result in economic benefits for Blackball itself, which at the moment is not on the main visitor routes.

5. What benefits will the region get from the Crown's investment?

These are outlined in the indicative business case. In summary:  
+Positive visitor and community experience  
+Improved safety and connectivity to the Paparoa Track - Great Walk and Pike 29 Memorial Track  
+Improved resilience of the Croesus Road  
+Reduced risk of vulnerable road user crashes

Indirectly the project will contribute to enabling:  
+ Tourism opportunities and economic benefits to Blackball in particular and the West Coast in general  
+Improve community wellbeing

6. Please describe the current state of the proposal, and why the project has not been done before.

Refer to responses to Question One and Question Four.  
Total capital project costs have been assessed at <sup>Confidential information</sup> . A feasibility study (Strategic Case and Indicative Business Case) has been funded to date, <sup>Confidential information</sup> from MBIE and Development West Coast.  
Grey District Council, Crown Agencies, and Development West Coast have worked with the Blackball Community to develop the Strategic Case and the Indicative Business Case.  
Council has submitted this information to NZTA which supports the project. <sup>Confidential information entrusted to the Government</sup>  
 million.  
Council is seeking the rest of the funds through the PGF in two stages. An advance application of <sup>Confidential information entrusted to the Government</sup>  
 The funding for this initial stage will enable a detailed review of the project cost prior to tender of the physical works.

7. Please provide a description, and evidence where applicable, of any local support for the project either through existing regional development mechanisms, or another relevant body, such as a council, iwi or other representative group (or reason for any lack of support).

The feasibility study is included in the West Coast Economic Development Action Plan 2017, which indicates that it has regional support, refer page 7.  
The Croesus Road upgrade has also been included in the Grey Districts Councils' Long Term Plan, which was consulted on publically in accordance with section 82 of the Local Government Act in May 2018, refer page 14.  
Detailed consultation took place with the community and stakeholders for the development of the Strategic Case and Business Case. See Section 6 - Consultation and Engagement, page 17 and Appendix C of the Indicative Business Case.

8. Please provide a description of any consultation required.

Refer Indicative Business Case, page 17 and Appendix C.

9. Please demonstrate how this project will fit in with wider assets or infrastructure, projects and benefits in the region.

Blackball is a small community with a current resident population of around 300. It is 22 kilometers from of Greymouth. The Blackball Community is excited about the business opportunities arising from the Paparoa Track. There is already anecdotal evidence of vacant properties being purchased for tourist development and existing houses being purchased for Air B&Bs. It is likely that shuttle services will ferry tourists and users of the track with their mountain bikes from Greymouth and beyond. The Council has also done the following in anticipation of the impacts of the Great Walk.

- \* Main Road in Blackball has been widened - approx. Confidential information
- \* Increasing delineation and side protection on the link rural roads between Greymouth and Blackball for increased traffic usage by motorists unfamiliar with rural roads.
- \* New toilet facilities and a carpark are to be developed over the next summer season - approx. Confidential information which has been funded through the Tourism Infrastructure Fund Confidential information with the rest from rates.

10. Has the project been discussed with a regional economic development governance group? If so, what was the outcome of the discussion?

Yes. Initiated through the (now defunct) West Coast Economic Development Governance Group. The project is included in the West Coast Economic Development Action Plan 2017.

11. Please provide evidence of lwi consultation.

This has been through the West Coast Economic Development Governance Group, which had two lwi representatives - see published document.

Indirectly through Local Runanga - Ngati Waewae being a key stakeholder for the Paparoa Track

Any further consultation will be carried out as part of any resource consenting processes for the Croesus Road Upgrade

12. Please provide evidence of compliance with international obligations (where relevant).

Not relevant.

### C. Project costs, economics and benefits

1. Please provide details of the wider benefits, over and above those described in the above Strategic Case and Regional Alignment section.

These are detailed on the Strategic Case and Indicative Business Case.

The Confidential information entrusted to the investment in the Great Walk is a national investment in a facility that is being created to an international standard. This proposal is to ensure associated infrastructure also enables international and domestic visitors to the region to have an integrated positive experience.

The Paparoa Great Walk will be a significant addition to the visitor attractions on the West Coast. The Croesus Road upgrade is an essential complement to the Walk and together the two initiatives will contribute to the region's goal of extending the length of visitor stays and increasing their expenditure.

This will also enhance the West Coast's reputation as an 'untamed natural wilderness'.

2. Please provide a detailed breakdown of the benefits that will be enabled by the delivery of this project and the timeframes in which those benefits will be achieved/realised.

Benefits - refer pages 26 and 27 of the Indicative Business Case.

Project Timeline - refer to the Indicative Business Case, pages 34 and 35. In summary the time frame for implementation is now very tight but still achievable.

4. Please provide a cost breakdown covering the following:

- Total project cost breakdown (including contingency);
- Total funding sought from the Provincial Growth Fund;
- Type of funding sought (i.e grant, loan or other);
- Description and breakdown of funding sought from elsewhere (approached/approved/declined) and what funding has been committed;
- Details of ongoing costs and financial viability;
- Required timing of costs; and
- Maintenance costs and funding sources

Refer to page 34 and Appendix B for total project costs including contingencies in the Indicative Business Case.

Total funding sought from the PGF is:

Stage One Funding Confidential information plus GST now as a Grant

Stage Two Funding Confidential information plus GST later in 2018 (subject to detailed design and detailed cost assessment), as a Grant

Total funding sought from elsewhere is:

Confidential information plus GST from NZTA. (NZTA have been approached and approved the Business Case).

There are no ongoing costs at this stage other than Council continues to maintain Croesus Road to its improved standard.

Future maintenance costs have been assessed as being sustainable (see Section 4.1.5, page 14 of the Indicative Business Case.

Stage One funding now, Stage Two pre Xmas 2018.

5. Please provide a demonstration of the impact the project will have on the applicant's balance sheet.

Refer Council's LTP.

Maintenance costs are expected to increase from an average of <sup>Confidential</sup> per year to an average of <sup>Confidential</sup>. These costs are manageable but exclude any Emergency Works (caused natural hazard events).

6. Please provide a demonstration of how you will ensure that your project represents good value for money.

At this stage we are getting the project estimated costs independently reviewed. Council will also tender the works in accordance with its Tender Administration Procedures which are also linked to NZTA's procurement policies.

7. If applicable, is there a financial model, financial forecasts, or a Cost Benefit Analysis which can be provided? (If so, please attach to this application.)

See the attached Indicative Business Case.

**D. Project Plan**

1. Please provide a project management plan covering the following:
  - Delivery methodology
  - Roles and responsibilities (including who will be managing/delivering the project and key contractors)
  - Timeline
  - Procurement
  - Constraints and dependencies
  - Risks associated with project
  - Risk management methodology
  - Governance arrangements (including using existing credible local and community input, funding, commercial and non-commercial partners)
  - Project delivery gates
  - Exit gates and stop/go points.

See responses to previous questions above.  
Also refer to the attached Indicative Business Case. (See Sections 11 Financial Case, and 11 Management Case)  
The timelines shown will be amended in consultation with MBIE depending on the timing of funding approvals, if granted.

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2. Please provide any feasibility assessment which has been conducted for the project.

See Strategic Business Case and Indicative Business Case

3. Please provide details of the key risks associated with the project, as well as how they will be managed.

See Strategic Business Case and Indicative Business Case, (refer Section 9.2)

4. Please provide detail of any alternative project delivery options which have been considered and ruled out.

See Indicative Business Case, see Section 7 - Interventions Assessment and Section 8, Option Development Assessment.

5. Has the project plan been independently tested, or developed with assistance of a project management professional? If so, by whom?

Yes, Confidential information entrusted to the [redacted] is an international multi-disciplined consultancy services business with offices located throughout New Zealand. (see Confidential information entrusted to the [redacted]).

- \* First 19 km of the West Coast Wilderness Trail. This was delivered and opened on time in 2013.
- \* Maintenance and upgrades of existing roads elsewhere in the Grey District on a routine (normally annual) basis

**E. Commercial Viability**

1. Please provide an overview of the applicant's track record in delivering projects of this nature.

Council has delivered projects such as

- \* First 19 km of the West Coast Wilderness Trail
- \* Upgrades of existing roads elsewhere in the Grey District on a routine (normally annual) basis

2. Please provide any demand analysis (customers and growth/utilisation forecasts) which has been conducted.

Detailed in the Strategic Case and Indicative Business Case.

3. Please describe how the market has been, or will be, tested and engaged (if required) to assist in the delivery of this project.

Through competitive tendering the physical works.

4. Please describe what will happen upon delivery of the project, including the maintenance plan and plan for ownership of the asset.

Contractors involved in the upgrade of the Croesus Road will hand the completed works back to Council to maintain. Maintenance plan is outlined in Section 4.1.5 of the Indicative Business Case.

5. Please describe how the project will be sustainable beyond the term of the Provincial Growth Fund investment.

Refer to Section 4 of the Indicative Business Case  
Key benefits to be achieved through implementing the project are:  
+Improved resilience of the Croesus Road  
+Improved safety and connectivity  
+Reduced risk of vulnerable road user crashes.

The upgraded road will be included in the Council's normal road maintenance programme.

6. Please outline why Crown funding is required?

The Grey District Council's limited rating base is unable to support the high capital cost of this project. This funding request is for the capital cost of improving the road to accommodate new tourist users accessing the Paparoa Great Walk, not the ongoing maintenance costs.

**F. Declaration by lead applicant**

By completing the details below, the applicant makes the following declaration about its application for PGF funding for the

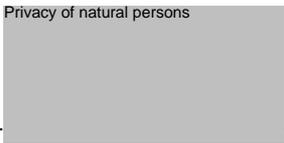
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project ("application"):

- A. I have read, understand and agree to the Terms and Conditions of applying for PGF funding which are attached as Appendix 1;
- B. The statements in the application are true and the information provided is complete and correct and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made;
- C. I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application;
- D. The applicant warrants that it has no actual, potential or perceived conflict of interest (except any already declared in the application) in submitting the application, or entering into a contract to carry out the project. Where a conflict of interest arises during the application or assessment process, the applicant will report it immediately to the PGF by emailing PGF@mbie.govt.nz; and
- E. I understand that the falsification of information, supplying misleading information or the suppression of material information in this application may result in the application being eliminated from the assessment process and may be grounds for termination of any contract awarded as a result of this application process.

Privacy of natural persons

Signature:



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Full name:

Paul Gideon Pretorius - 14 August 2018

Date: [ D | D | M | M | Y | Y | Y | Y ]

Title / position:

Chief Executive Officer

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Name of applicant organisation:

Grey District Council

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## Appendix 1 - Terms and Conditions of applying for the Provincial Growth Fund

### General

The terms and conditions are non-negotiable and do not require a response. Each applicant that submits a request for Provincial Growth Fund ("PGF") funding (each an "application") will be deemed to have agreed to these terms and conditions without reservation or variation.

The Provincial Growth Fund is a government initiative which is administered by the Provincial Development Unit, a unit within the Ministry of Business, Innovation and Employment. Any reference to the Provincial Development Unit in these terms and conditions, is a reference to MBIE on behalf of the Crown.

### Reliance by Provincial Development Unit

The Provincial Development Unit may rely upon all statements made by any applicant in an application and in correspondence or negotiations with the Provincial Development Unit or its representatives. If an application is approved for funding, any such statements may be included in the contract.

Each applicant must ensure all information provided to the Provincial Development Unit is complete and accurate. The Provincial Development Unit is under no obligation to check any application for errors, omissions, or inaccuracies. Each applicant will notify the Provincial Development Unit promptly upon becoming aware of any errors, omissions, or inaccuracies in its application or in any additional information provided by the applicant.

### Ownership and intellectual property

Ownership of the intellectual property rights in an application does not pass to the Provincial Development Unit. However, in submitting an application, each applicant grants the Provincial Development Unit a non-exclusive, transferable, perpetual licence to use, disclose, and copy its application for any purpose related to the PGF application process. Any application or documentation supplied by you to the Provincial Development Unit will become the property of the Provincial Development Unit and may not be returned to you.

By submitting an application, each applicant warrants that the provision of that information to the Provincial Development Unit, and the use of it by the Provincial Development Unit for the evaluation of the application and for any resulting negotiation, will not breach any third-party intellectual property rights.

### Confidentiality

The Provincial Development Unit is bound by the *Official Information Act 1982* ("OIA"), the *Privacy Act 1993*, parliamentary and constitutional convention and any other obligations imposed by law. While the Provincial Development Unit intends to treat your information as confidential, the information can be requested by third parties and the Provincial Development Unit must provide that information if required by law. If the Provincial Development Unit receives an OIA request that relates to your confidential information, where possible, the Provincial Development Unit will consult with you and may ask you to advise whether the information is considered by you to be confidential or commercially sensitive, and if so, to explain why.

The Provincial Development Unit may disclose any application and any related documents or information provided by the applicant, to any person who is directly involved in the PGF application and assessment process on its behalf including the Independent Advisory Panel ("IAP"), officers, employees, consultants, contractors and professional advisors of the Provincial Development Unit or of any government agency. The disclosed information will only be used for the purpose of participating in the PGF application and assessment process, which will include carrying out due diligence.

### Limitation of Advice

Any advice given by the Provincial Development Unit, any other government agency, their officers, employees, advisers, other representatives, or the IAP about the content of your application does not commit the decision maker (it may be Senior Regional Officials, Ministers or Cabinet depending on the level of funding requested and the nature of the project) to make a decision about your application.

This limitation includes individual members of the IAP. The IAP's recommendations and advice are made by the IAP in its formal sessions and any views expressed by individual members of the IAP outside of these do not commit the IAP to make any recommendation.

### No contractual obligations created

No contract or other legal obligations arise between the Provincial Development Unit and any applicant out of, or in relation to, the application and assessment process, until a formal written contract (if any) is signed by both the Provincial Development Unit and a successful applicant.

### No process contract

The PGF application and assessment process does not legally oblige or otherwise commit the Provincial Development Unit to proceed with that process or to assess any particular applicant's application or enter into any negotiations or contractual arrangements with any applicant. For the avoidance of doubt, this application and assessment process does not give rise to a process contract.

### **Costs and expenses**

The Provincial Development Unit is not responsible for any costs or expenses incurred by you in the preparation of an application.

### **Exclusion of liability**

Neither the Provincial Development Unit or any other government agency, nor their officers, employees, advisers or other representatives, nor the IAP or its members will be liable (in contract or tort, including negligence, or otherwise) for any direct or indirect damage, expense, loss or cost (including legal costs) incurred or suffered by any applicant, its affiliates or other person in connection with this application and assessment process, including without limitation:

- a) the assessment process
- b) the preparation of any application
- c) any investigations of or by any applicant
- d) concluding any contract
- e) the acceptance or rejection of any application, or
- g) any information given or not given to any applicant(s).

By participating in this application and assessment process, each applicant waives any rights that it may have to make any claim against the Provincial Development Unit. To the extent that legal relations between the Provincial Development Unit and any applicant cannot be excluded as a matter of law, the liability of the Provincial Development Unit is limited to \$1

Nothing contained or implied in or arising out of the PGF documentation or any other communications to any applicant shall be construed as legal, financial, or other advice of any kind.

### **Inducements**

You must not directly or indirectly provide any form of inducement or reward to any IAP member, officer, employee, advisor, or other representative of the Provincial Development Unit or any other government agency in connection with this application and assessment process.

### **Governing law and jurisdiction**

The PGF application and assessment process will be construed according to, and governed by, New Zealand law and you agree to submit to the exclusive jurisdiction of New Zealand courts in any dispute concerning your application.

### **Public statements**

The Provincial Development Unit or any other government agency, or any relevant Minister, may make public the following information:

- the name of the applicant(s)
- the application title
- a high-level description of the proposed project/activity
- the total amount of funding and the period of time for which funding has been approved
- the region and/or sector to which the project relates

The Provincial Development Unit asks applicants not to release any media statement or other information relating to the submission or approval of any application to any public medium without prior agreement of the Provincial Development Unit.

## Appendix 2 - Proposed operational criteria for all tiers of the Fund

### *Link to Fund and government outcomes*

- Demonstrate the ways in which the project will contribute to lifting the productivity potential of the region
- Demonstrate how the project contributes to the Fund's objectives of:
  - more permanent jobs
  - benefits to the community and different groups in the community
  - increased utilisation and returns for Māori from their asset base (where applicable)
  - sustainability of natural assets (e.g. water, soil integrity, the health and ecological functioning of natural habitats)
  - mitigating or adapting to climate change effects, including transitioning to a low emissions economy
- Clear evidence of public benefits (i.e. benefits other than increased profitability for the applicant)
- Are in a Government priority region or sector

### **Additionality**

- Project is not already underway, does not involve maintenance of core infrastructure or assets (except for rail and transport resilience initiatives), and does not cover activities the applicant is already funded for (funding could be considered to increase the scale of existing projects or re-start stalled projects)
- Demonstrated benefit of central Government investment or support
- Detail of any supporting third party funding (and any funding sought unsuccessfully)
- Acts as a catalyst to unlock a region's productivity potential
- Demonstrated links to other tiers of the Fund and related projects, to maximise value of Government investment

### **Connected to regional stakeholders and frameworks**

- Evidence of relevant regional and local support, either through existing regional development mechanisms, or through another relevant body such as a council, iwi or other representative group (or reasons for any lack of local support)
- Has been raised and discussed with the region's economic development governance group
- Alignment with, or support for the outcomes of, any relevant regional development plan, Māori development strategy or similar document (whether regional or national)
- Demonstrated improvement in regional connectedness (within and between regions)
- Leverage credible local and community input, funding, commercial and non-commercial partners
- Utilise existing local, regional or iwi/Māori governance mechanisms

### **Governance, risk management and project execution**

- Evidence of robust project governance, risk identification/management and decision-making systems and an implementation plan appropriate to the size, scale and nature of the project
- Future ownership options for capital projects, including responsibility for maintenance, further development, and other relevant matters
- Benefits and risks clearly identified and quantified, depending on the scale of the initiative
- Evidence of potential exit gates and stop/go points, and a clear exit strategy
- Clearly identifies whole of life costs (capital and operating)
- Dependencies with other related projects are identified
- Evidence of sustainability after conclusion of PGF funding
- Adequacy of asset management capability (for capital projects)
- Compliance with international obligations (where relevant)