

## **Letter from IAP to Minister for Regional Economic Development**

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The Honourable Shane Jones  
Minister for Regional Economic Development

10 July 2019

Tēnā koe e te Minita,

**Project: New Zealand Future Forest Products**

**Applicant: New Zealand Future Forest Products Limited**

**Panel Recommendation: Conditional Support**

The Independent Advisory Panel (**IAP**) for the Provincial Growth Fund (**PGF**) considered the New Zealand Future Forest Products Project at its meeting on 19 June 2019, including advice from the Provincial Development Unit (**PDU**).

New Zealand Future Forest Products Limited (**NZFFP**) is seeking a \$15m loan for Stage 1 of the Future Forest Products Project. Commercial Information

Commercial Information

The IAP are supportive of the overall objectives of the Future Forest Products Project to maximise our natural competitive advantage in forestry and wood processing. The project has the potential to deliver substantial productivity gains in these sectors and generate significant sustainable jobs throughout the supply chain. Commercial Information

Commercial Information

Notwithstanding these reservations, the IAP are supportive of the Future Forest Products Project in principle given its potentially significant productivity and employment benefits. We therefore recommend that Stage 1 is supported by the PGF subject to the following:

- Commercial Information

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

We recommend that the PDU work with NZFFP to obtain the further assurance sought and, if appropriate, negotiate a loan agreement that incorporates these conditions and such further commercial terms as recommended by the PDU.

Nga Manaakitanga

On behalf of the Independent Advisory Panel

Nāku noa, nā Rodger Finlay

**IAP Chairperson**