



IWI

Infrastructure and Investment Resource Guides

“ *inspiring Iwi Māori to work together, create critical mass,
partner with the Crown and private sector so that we become
a major pillar of the Aotearoa New Zealand economy* ”



AUGUST 2010



E te kāhui tipua,

Nei rā te reo o Aoraki maunga e topa atu ana ki a koutou hai mihi. E kore rawa tā Tahu Pōtiki puna whakamihi e mimiti noa. Ko koutou tērā e whakaheke mōtuhi ana kia whai oranga ai te iwi Māori. Kua roa nei koutou e whakaporo riaka ana kia ea ai ngā wawata o ō koutou ake whānau, o ō koutou ake hapū, o ō koutou ake iwi. Ko ngā puapua ki aromea kua tutuki i a koutou. Nō reira, kei te mihi. Eke panuku, eke Tangaroa. Nā koutou te reo karanga, nā mātou ngā kupu tautoko kia okea ururoatia ngā taunāhua o te iwi Māori. E ai ki te whakatauki a ō tātou nei tūpuna, ki te kotahi te kākaho ka whati, ki te kāpuia te kākaho e kore e whati. Nō reira e aku rangatira, nei rā te karanga o Aoraki maunga ki ngā tōpito katoa o te motu kia karapinepine mai i raro i te whakaaro kotahi. Nō reira e aku manukura, nau mai tauti mai ki raro i tōna poho hai wānanga, hai kōrerorero, hai ara whakamua mō tātou, ā, mō kā uri ā muri ake nei.

Tēnā koutou, tēnā koutou, tēnā koutou katoa

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This document is a summary of four resource guides produced by the Māori Economic Development Taskforce in May 2010.

The full document is available on www.iwichairs.maori.nz/Kaupapa/PPP/
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Ministerial Taskforce on Māori Economic Development

“Iwi and Māori assets - the new economic power”



I want to salute the Minister of Māori Affairs, Hon Dr Pita Sharples, for his vision and commitment to Iwi Māori in setting up the Taskforce on Māori Economic Development, which was the genesis for this kete of four resource guides for Iwi Māori.

The Taskforce has seven key areas:

- » tribal asset and collaboration
- » the primary sector
- » education and training
- » small to medium enterprises
- » social and community development
- » investment and enterprise
- » economic growth and infrastructure.

I was appointed chair of the asset and collaboration workstream, which has produced these guidelines. We hope they will inspire Iwi Māori to work together, create critical mass, partner with the Crown and private sector so that we become a major pillar of the Aotearoa New Zealand economy.

Māori population will double by 2050

To understand New Zealand’s economic future, we must first understand our future demographic realities. In Census 1951 we were 6.9% of the population. In Census 2006 that had grown to 14.6%. That’s one in seven New Zealanders. Statistics New Zealand’s future projections predict that in 2026 we will be 17% of the population. There is no official projection for 2050, but on this curve, it’s entirely possible that the Māori population will double what it is today – and be well over the one million mark.

A set of graphs showing these trends (with data provided by Statistics New Zealand) is on pages 6 and 7.

To date, the Iwi and Māori economy has largely focussed – and succeeded – in the primary sector: fishing, farming, forestry. Just over 50% of Māori business is in the primary sector, which is too much. It exposes us to risk.

Iwi Māori are diversifying their investments. As an intergenerational investor we take a deliberate and conservative approach – therefore, the Māori Economic Development Taskforce believes the next wave will be infrastructure. And we have big plans.

The next step in the Treaty of Waitangi partnership

We see public/private/Iwi partnerships. Perhaps in roads, water services, health centres and other strategic infrastructure. It is not impossible to imagine Iwi as cornerstone shareholders in State-Owned Enterprises – making them State-Iwi Owned Enterprises. It just makes sense, if you think about it. Iwi will have the resources, we want our profits to stay in New Zealand – to reinvest for our people, for New Zealand Inc.

We are the perfect partner for Government. And they are well aware of our thoughts on this matter.

A relationship between Crown and Iwi, as co-investors in national infrastructure, is the next step in the Treaty of Waitangi partnership.

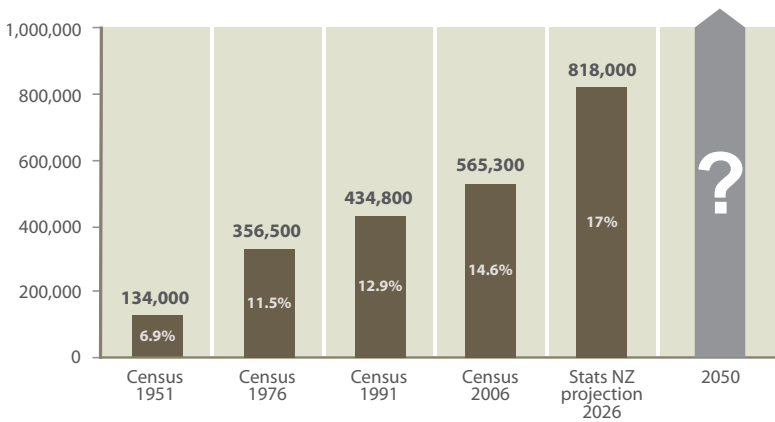
Iwi and Māori, working with Government and the private sector – we can create a new business paradigm through this set of guidelines that honours our traditional values, delivers on them and lets us determine our own path.

Mō tātou, ā, mō kā uri ā muri ake nei – for us and our children after us.

Mark Solomon
Chairman
Tribal Asset & Collaboration Workstream
Māori Economic Development Taskforce
August 2010

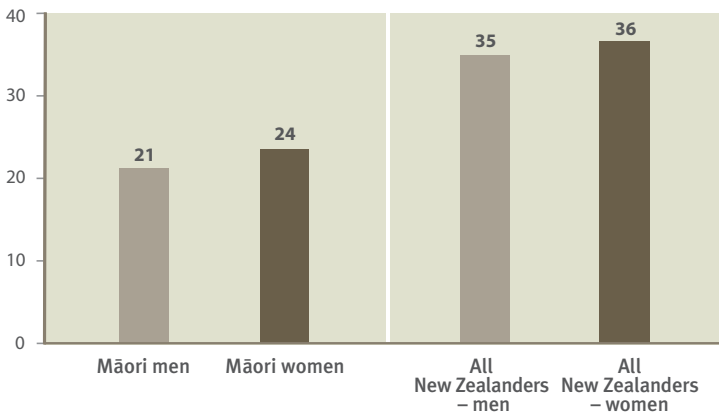
Our demographic realities

Growth of the Māori Population



Source: Statistics New Zealand

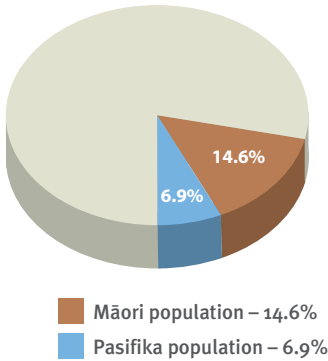
Median age of Māori and all New Zealanders Census 2006



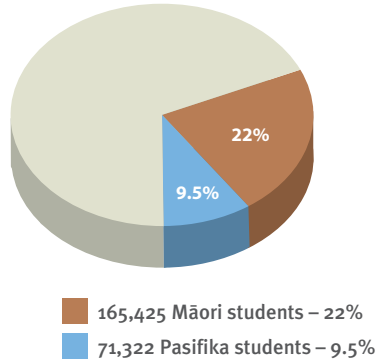
Source: Statistics New Zealand

Māori and Pasifika today – a young population

% of NZ population



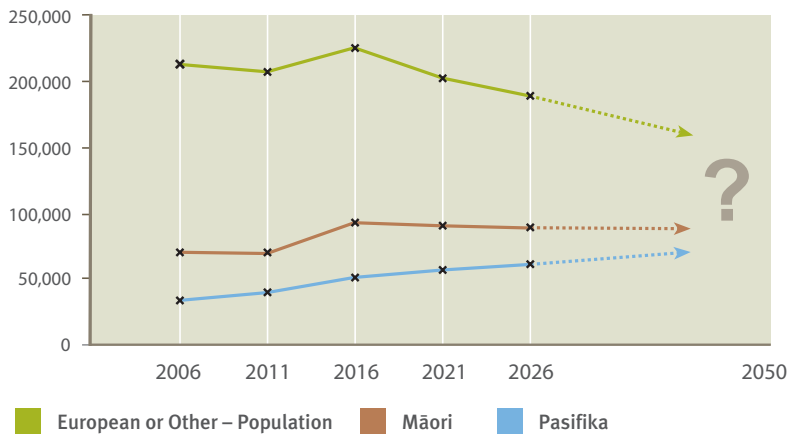
% of student population



Source: Ministry of Education (2008) & Statistics New Zealand (Census 2006)

The browning of Aotearoa New Zealand

Projections for 5-9 year olds



Source for solid line: Statistics New Zealand

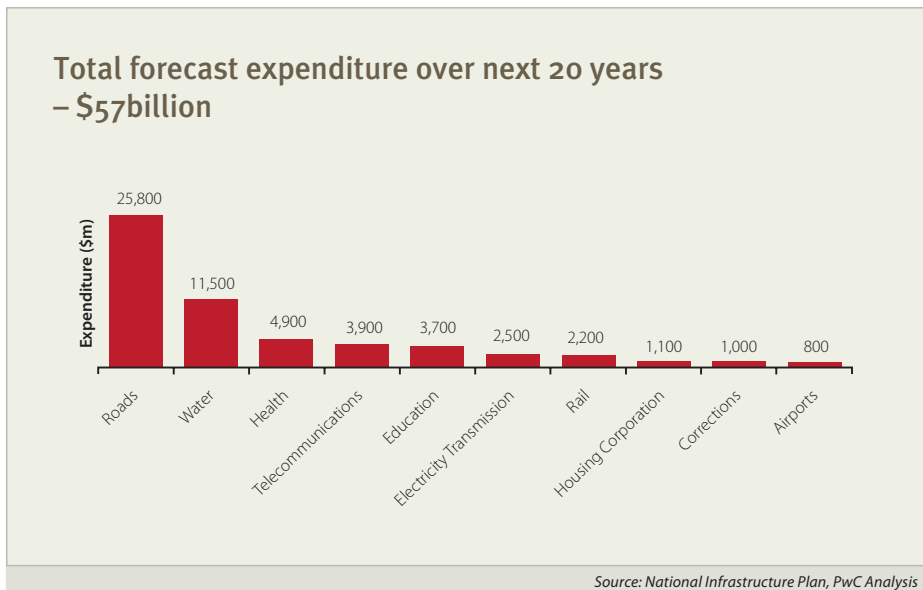
Infrastructure – a renewed national focus

After decades of limited investment, Aotearoa New Zealand is renewing its focus on infrastructure development to provide modern economic and social services.

In the past year the Government has established a National Infrastructure Unit within the Treasury, which has been tasked with increasing the level of centralised infrastructure planning and development.

The scale of the investment and the timing of the projects are ambitious, and the Government will need finance, expertise and support from other sectors if it is to implement its vision.

The National Infrastructure Plan identifies a significant amount of planned expenditure (see below).



An immediate opportunity for Iwi Māori

The Iwi and Māori economy is already a success story. But, this is just the beginning. With this Government fast-tracking Treaty settlements, professionalisation of Iwi asset management, and with a Government who understands the value and stability Iwi can bring to national growth, we are about to emerge as a rising economic force in Aotearoa.

Not only is co-investment in national infrastructure the next step in the Treaty of Waitangi relationship, it provides us with:

- » investments with a **long-term reliable yield**
- » an opportunity to have **involvement and influence over the developing and managing of the vital assets** that make up New Zealand's infrastructure base
- » the opportunity to **contribute to the economic development of our nation.**

As partners with the Crown, Iwi should expect to have a say in how key utilities and infrastructure are managed and run. Also, where they are deployed.

Having a voice is not just important as a Treaty partnership, but also from a community development perspective.

The Māori Economic Development Taskforce has developed four resources to assist Iwi Māori decision making on future investments:

- 1] **Infrastructure Opportunities** – an overview of opportunities, and how Iwi might engage in these opportunities
- 2] **Public Private Partnerships** – looking at the role Iwi can play in PPPs
- 3] **Commercial Entities** – the ways Iwi can work together to maximise their opportunities
- 4] **Case studies for Collaboration** – real life examples of how Iwi Māori have joined forces to successfully generate commercial and social returns.

RESOURCE 1

Infrastructure Opportunities

What is infrastructure?

Infrastructure falls into two categories: networks and buildings.

Networks and supporting structures include roads, ports, airports, telecommunications, broadcasting, rail, electricity transmission and water distribution. These physical networks are important, not just for the growth and productivity of our economy, but also the location, spread and connectedness of communities and businesses.

Buildings, often referred to as “social infrastructure”, include schools, houses, hospitals, prisons, recreational and tourism facilities. They are central to supporting regional development.

What is the difference between public and private infrastructure?

Public infrastructure, the focus of this document, is primarily funded by government on behalf of citizens. Access to public infrastructure is often open, with little or no cost to users (e.g. hospitals, schools, highways). These assets are funded collectively through tax because they are often too expensive for individuals to undertake themselves, and there are economic and social benefits for maintaining freedom and equality of access.

Private infrastructure is typically planned, funded and owned privately. Individual companies recoup their investment by charging users to access the services provided by the infrastructure (e.g. telecommunications, electricity).

Why does infrastructure matter?

A nation's infrastructure is important for the services it provides to communities and businesses. The quality and quantity of a nation's infrastructure has a positive impact on our society and long-term economic performance. High quality social infrastructure is important for a population's health and cultural wellbeing.

The Government's recently released National Infrastructure Plan has identified sectors where there will be large scale infrastructure investment over the next 20 years. We look here at three of the most relevant sectors to Māori – education, health and water. Other sectors are covered in the full document, to be found on www.iwichairs.maori.nz/Kaupapa/PPP/



Education sector

New Zealand's population is expected to grow by 22% between 2006 and 2031. Although the projected number of school-aged children does not change significantly, the distribution of this group does. Consequently, there will be a need for further schools to be built, particularly in the Auckland area.

The Government has announced it is actively investigating new methods of procuring primary and secondary schools through PPPs.

The table on the next page shows projected education expenditure by region over the next 10 years:

What are the opportunities for Iwi Māori?

Of particular interest to Iwi is the coming \$47m expenditure on kura and wharekura. These are mainly planned to be located in Auckland and the eastern North Island. To prepare to participate in these opportunities, Iwi Māori should look to:

- » Identify the role that Iwi want to play in these projects
- » Identify key partners (design and construction companies)
- » Engage with national and regional Ministry of Education officials
- » Begin a process of deciding how Iwi might combine capital or capability.

NORTHERN

| | |
|--|-----------------|
| Total projects planned or under consideration (next 10 years) | \$ 355 m |
| Construction of schools that require new funding | \$ 67 m |
| Forecast construction of new schools | \$ 53 m |
| Forecasted site purchases | \$ 21 m |
| Site purchases for schools that require new funding | \$ 214 m |

AUCKLAND

| | |
|--|-----------------|
| Total projects planned or under consideration (next 10 years) | \$ 837 m |
| Construction of new schools from within baselines | \$ 138 m |
| Construction of schools that require new funding | \$ 229 m |
| Forecast construction of new schools | \$ 269 m |
| Forecasted site purchases | \$ 149 m |
| Kura / Wharekura construction | \$ 52 m |

CENTRAL

| | |
|--|----------------|
| Total projects planned or under consideration (next 10 years) | \$ 47 m |
| Construction of schools that require new funding | \$ 24 m |
| Forecast construction of new schools | \$ 23 m |

EASTERN

| | |
|--|-----------------|
| Total projects planned or under consideration (next 10 years) | \$ 125 m |
| Construction of schools from within baselines | \$ 37 m |
| Forecast construction of new schools | \$ 32 m |
| Kura / Wharekura construction | \$ 56 m |

SOUTHERN

| | |
|--|-----------------|
| Total projects planned or under consideration (next 10 years) | \$ 156 m |
| Construction of new schools from within baselines | \$ 48 m |
| Construction of schools that require new funding | \$ 25 m |
| Forecast construction of new schools | \$ 51 m |
| Forecasted site purchases | \$ 32 m |



Health sector

District Health Boards (DHBs) collectively manage \$4.3billion of assets and are responsible for capital expenditure in their regions. However, the Government maintains control over large investment decisions.

Changes are underway to improve the quality of DHB asset management. The recent decision to establish a business unit within the Ministry of Health to focus on service planning and capital investment is intended to support better decision-making for health sector infrastructure.

The Government plans to devolve more services and funding from DHBs to primary health providers. Part of this strategy is the creation of Integrated Family Health Centres and Whanau Ora Centres. These centres will require infrastructure investment from a range of sources.

Investment in the health sector is realistic for Iwi as it contains manageable opportunities to start developing experience and capability.

What are the opportunities for Iwi Māori?

- » Co-investment with a DHB for the design, construction and ownership of an infrastructure asset.
- » Co-investment with a general practice, or group of providers, for the design, construction and ownership of a Whanau Ora Centre or Integrated Family Health Centre.

A likely scenario would be for Iwi to finance and maintain the building for a practice, receiving revenue in the form of rental payments. A preliminary estimate of the cost of upgrading an existing practice to a Whanau Ora Centre or an Integrated Family Health Centre, is between \$2million and \$5million.

The development of a new site could range from between \$10million and \$20million.

NORTHERN

| | |
|--|-----------------|
| Total projects planned or under consideration (next 10 years) | \$ 146 m |
| Northland Whangarei Stage One | \$ 25 m |
| Whangarei Redevelopment – Stage 2 | \$ 41 m |
| Whangarei Redevelopment – Stage 4 | \$ 80 m |

AUCKLAND

| | |
|--|-------------------|
| Total projects planned or under consideration (next 10 years) | \$ 1,490 m |
| EXAMPLES | |
| Waitemata North Shore Car Park | \$ 26 m |
| Greenlane Clinical Centre new all-age rehab centre | \$ 48 m |
| Greenlane Clinical Centre new elective surgery facility | \$ 24 m |
| Counties Manukau centre for health services innovation | \$ 50 m |

CENTRAL

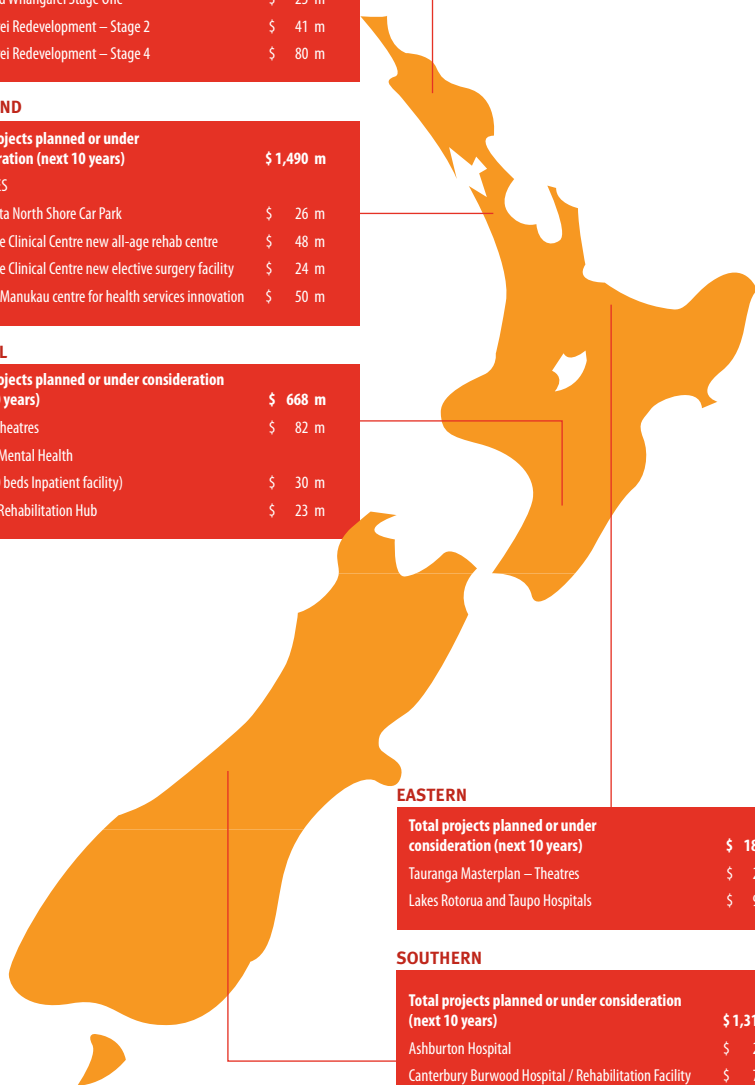
| | |
|--|-----------------|
| Total projects planned or under consideration (next 10 years) | \$ 668 m |
| Hutt ED Theatres | \$ 82 m |
| Waikato Mental Health | |
| Adult (60 beds Inpatient facility) | \$ 30 m |
| Waikato Rehabilitation Hub | \$ 23 m |

EASTERN

| | |
|--|-----------------|
| Total projects planned or under consideration (next 10 years) | \$ 184 m |
| Tauranga Masterplan – Theatres | \$ 29 m |
| Lakes Rotorua and Taupo Hospitals | \$ 90 m |

SOUTHERN

| | |
|--|-------------------|
| Total projects planned or under consideration (next 10 years) | \$ 1,315 m |
| Ashburton Hospital | \$ 20 m |
| Canterbury Burwood Hospital / Rehabilitation Facility | \$ 70 m |
| Buller Hospital Aged Care (if not done privately) | \$ 20 m |



Water sector

Water infrastructure in New Zealand is made up of two broad categories – reticulated and rural water infrastructure.

Reticulated

- » Water systems are typically constructed by local government (and in some cases central government) and funded through rates and development contributions.
- » The total value of water, waste water and storm water assets under local government control is estimated to be approximately \$33billion. In addition, it is estimated that local government may also manage a further \$1.5billion worth of flood control and drainage assets.

Rural water

- » Demand for rural water infrastructure is increasing. The infrastructure supports a variety of agricultural industries (horticulture, dairying, sheep, beef and cropping).
- » Irrigation accounts for the largest proportion of water consumption in New Zealand. Approximately 77% of water allocated under resource consent was for irrigation, with the remainder for industrial use, public water supply and stock watering. The infrastructure ranges from large-scale dams and reservoirs to smaller-scale water tanks and groundwater extraction facilities.

What are the opportunities for Iwi Māori?

There are limited opportunities for Iwi investment in specific projects in reticulated water, given the integrated network nature of these assets.

However, there may be opportunities with large rural water schemes, which are potentially beyond the means of farmers and possibly local bodies to develop on their own.

These, and established schemes, where start-up, development and take-up risks have been overcome, may present more attractive investment opportunities for Iwi looking for stable returns and low-risk investments.

Infrastructure Conclusion

The scale of future infrastructure expenditure in many sectors is large and the opportunities for Iwi Māori – and other investors – is vast.

The most ready opportunities for Iwi Māori to undertake PPP-type projects to design, construct and operate assets are in the health and education sectors.

As a first step, Iwi need to think about organising themselves collectively to take advantage of these opportunities.



RESOURCE 2

Public Private Partnerships

What is a Public Private Partnership (PPP)?

PPP is an umbrella term covering a multitude of different arrangements between private sector parties and public sector agencies to design, build, finance or operate a facility or asset.

How do PPPs differ from traditional Government infrastructure models?

With PPPs, the private sector investor shares a range of not just reward, but also risk, depending on the level of involvement (e.g. developers bear the risk of cost overruns, operators bear the risk of changes in demand).

Is the Government encouraging PPPs?

Yes, the Government has signalled its interest in considering PPPs for public sector infrastructure investments, where it makes sense and provides value-for-money for the taxpayer.

Why is the Government focussing on PPPs now?

The PPP approach has been operating successfully overseas for nearly two decades.

There is an increasing focus on the private sector “getting the job done” with Government and public sector agencies, with the potential private sector roles spanning financing through to the provision of services that may have once been seen as “core” public sector.

Are there any examples of PPPs in New Zealand?

- » The new 1000 bed male prison at Wiri, South Auckland, will be financed, built and operated by the private sector (under the oversight of the Department of Corrections).

-
- » The recently completed \$112.4million Christchurch Civic Building is a joint venture between Ngāi Tahu Property and the Christchurch City Council.
 - » Ngāi Tahu also embarked on a PPP with the Ministry of Justice in building the new Queenstown court facility.
 - » The Ministry of Education is developing a business case that would see new primary or secondary schools financed, constructed and owned by a private sector party who would lease it back to the Ministry to use.
 - » A housing development in Hobsonville Point, led by a government-owned company and financed by an Australian residential property development and construction company.

What are the roles lwi can take in a PPP?

The table below sets out a range of roles at various stages in the life of a PPP.

| | |
|-------------------------|--|
| Design | Design refers to not only the professional groups such as architects and engineers but also the resources needed to move proposed infrastructure through planning phases |
| Build | This includes construction companies and labour force providers (e.g. Tradestaff) |
| Supply | This includes manufacturers and owners of resources such as forests. It also includes logistics. Supply in broader terms can also mean the supply of skilled people through training |
| Finance | Includes banks, institutional investors, and lwi |
| Strategic Advice | While smaller in size than other roles, lwi are well placed to act as strategic advisors on projects to speed consent process, provide specialist knowledge or expertise, facilitate community dialogue and buy-in |
| Owners | Owners can be taken to mean not only the owners of a piece of infrastructure, it may also include landowners who may lease or sell land for infrastructure development |
| Operators | These are the managers of the infrastructure and can include a number of governance and management roles |

RESOURCE 3

Iwi Collaboration & Commercial Entities

The Māori Economic Development Taskforce believes that there are significant direct investment opportunities available to Iwi Māori.

However, access to these opportunities often requires a larger scale investment than many individual Māori organisations can sustain.

Therefore the Māori Economic Development Taskforce believes that Māori organisations should consider combining available investment capacity and seek opportunities on a collaborative basis.

Collaborative Investment

The intended benefits of such an approach are:

- » To increase the scale and breadth of direct investment opportunities
- » Greater potential for investment diversification
- » Reducing risk for participants
- » Provide employment opportunities for Māori
- » To build trust and relationships between Iwi.

Possible Legal Structures

This guide is intended to assist Iwi Māori to select an appropriate legal structure to facilitate a collaborative multi-party investment.

It outlines five common structures Iwi could potentially use in co-investment situations:

- » A company
- » Limited partnership

-
- » A general partnership
 - » An unincorporated joint venture
 - » A trust.

Full details about these investment structures, how they work, liability protection and risk management, governance, tax, commercial flexibility and adaptation to Kaupapa Māori principles, are available in the full document at www.iwichairs.maori.nz/Kaupapa/PPP/.

Also, this resource highlights other issues that may be of particular interest to Iwi Māori co-investing with other Iwi or with non-Māori investors.

RESOURCE 4

CASE STUDIES

Iwi Māori are already engaged in a number of commercial transactions that demonstrate key elements of a PPP-type arrangement and how collaboration can work to seek mana enhancements for the participants.

The full document contains a number of case studies. This summary focuses on four:

Christchurch Civic Building

Principal tenant: Christchurch City Council

Opening date: August 2010

Total planned development cost: \$112.4m



King Tuheitia and Ngāi Tahu Kaiwhakahaere, Mark Solomon, at the blessing of the new Christchurch Civic Building on 11 August 2010

Overview

The re-development of the Christchurch Civic Building is a joint-venture between Christchurch City Council and Ngāi Tahu Property. It involves the purchase and redevelopment of the former Christchurch Mail Centre into new Civic offices for the Christchurch City Council.

The project is significant in that it is the first PPP to develop a major local government facility in New Zealand, with Ngāi Tahu Property and Christchurch City Council sharing the costs of development equally and taking an equal ownership stake.

From Ngāi Tahu Property's perspective, this project is stable and low-risk. It will provide a strong cash return for the risks involved and provide stable rental income over a long period.

Key terms and conditions

Total investment in the design and construction of the project was \$112.4m. These costs were shared equally between Christchurch City Council and Ngāi Tahu Property, through a Special Purpose Vehicle (SPV).

Upon completion, Christchurch City Council will take over the building as the principal tenants, with a initial lease term of 24 years, at the end of which they would have right of renewal. Rent is paid to the shareholding organisations through the SPV.

Management of the development and on-going property management is being undertaken by Ngāi Tahu Property.

Queenstown court facility

Principal tenant: Ministry of Justice

Opening date: September 2006

Total development cost: \$4.8m

Current value: \$8.1m

Background

Previously the Queenstown court was housed in a building owned by Ngāi Tahu Property. Upon completion of their historic lease term, the Ministry of Justice signalled its intention to look for new, more modern premises. Rather than lose a valuable tenant, Ngāi Tahu Property offered a counter-proposal to develop and lease a new building to meet the changing requirements of the courts. This was accepted by the Ministry of Justice.

The genesis of this case study highlights the benefits of being able to identify opportunities early by maintaining close relationships with potential and existing



Queenstown court

tenants. Had the Ministry of Justice gone to tender for their new premises, Ngāi Tahu Property may have lost a valuable client.

Overview

This transaction involved Ngāi Tahu Property purchasing land in central Queenstown and designing and constructing a new court facility which, on completion, was leased to the Crown for a period of 20 years, commencing 11 September 2006. Development, management, investment management and property management was provided by Ngāi Tahu Property.

The Crown took a long-term lease over the completed development .

Outcome for Ngāi Tahu Property

In a financial sense, the development of a new courts facility for the Ministry of Justice was successful, earning an initial cash return on investment during the first year of 10.7%. Ngāi Tahu Property considered this return reasonably strong, given the stability of income that a tenant such as the Ministry of Justice provides.

Multi-lateral structures

Iwi have clearly stated that co-investment among Iwi is a strategic priority.

Outlined below are two examples of collaborative Iwi legal structures that are being used to progress opportunities and manage investments and assets.

Central North Island Iwi Holdings Limited

Overview

The Central North Island Iwi Holdings Limited (CNI) agreement was developed to manage a significant Treaty of Waitangi settlement. The project involves eight Iwi partners working collaboratively in the management of 178,000 hectares of forestry, with a shareholding stake held by the Crown.

The long-term commercial goal is to establish a forestry management company that will create and capture local and global opportunities, and engage in related forestry activities. The goal of the agreement was to recognise the shared interests of central North Island Iwi with respect to mana whenua. The CNI agreement reflected an important step in the journey towards greater collective enterprise in tikanga Māori.



The signing ceremony at Parliament June 2008 of the Central North Island Forests Land Collective Settlement Act (CNI).

The structural arrangements of the CNI agreement are rigid and inflexible compared with other potential types of arrangements. In particular, there is no exit or entry mechanism for shareholders, which keeps current shareholders locked in and potential buyers locked out. This is a strong commitment by the eight Iwi to achieve their long-term goal of producing social and economic gains for Māori.

The agreement has taken the legal structure of a company and the key points of its structural arrangements include:

- » all parties having equal voting rights in decisions
- » the distribution of commercial returns according to the relative shareholding of the parties.

Iwi afforestation partnership

Overview

In response to Iwi concerns about the impact of the Emissions Trading Scheme on some past Treaty of Waitangi settlements, Ngāi Tahu proposed establishing a partnership with Iwi to develop forestry blocks to act as carbon sinks.

The afforestation initiative has two primary goals:

- Give affect to the whanaungatanga for all Iwi by undertaking a prototype deal of this nature and developing a pathway for other Iwi groups to learn from.
- Contribute to positive responses to climate change by having forests take carbon out of the atmosphere, reduce our national liabilities for carbon emissions and increase biodiversity.
- Achieve redress for the commercial disadvantage suffered by the five Iwi as a result of the ETS development.

The intent of the afforestation initiative is broadly aligned with the terms and objectives of the CNI agreement. No final decisions have yet been made about which opportunities the collective will pursue, but all Iwi are engaged in an ongoing dialogue. Key differences with the CNI agreement include:



-
- » the afforestation agreement is likely to allow for the entry and exit of shareholders, meaning the investment is scalable
 - » the afforestation initiative will also need to achieve a balance between equality of decision making rights and commercial interests – but no decisions have been made as yet on the relationship between voting rights and commercial interest.

Conclusion

These case studies reflect how Iwi can successfully work together, mana to mana, in a way that enhances the collective and individual mana of all parties and promotes the long-term interest of Iwi Māori.

Different legal and commercial vehicles are a way to give affect to these principles.

As the two forestry case studies presented here demonstrate, arrangements and structures can be tailored to meet the specific objectives of an initiative or group of investors.

Further information on the various structures that can be adopted by groups of Iwi is discussed in the Commercial Entities paper available on www.iwichairs.maori.nz/Kaupapa/PPP/.

GLOSSARY

| | |
|---|---|
| Consortium | A combination of groups and individuals who agree to work together to deliver a project. Each party is only responsible to the group in respect to the obligations that are set out in the consortium's contract (i.e. there is no shared risk/reward scheme). |
| Debt | An amount of money provided to an organisation or individual in exchange for a form of compensation that excludes an equity shareholding. |
| Limited liability | The legal status whereby investors cannot lose more than their original investment, protecting the investors' personal assets. |
| Public-Private Partnership (PPP) | PPP is an umbrella term covering a multitude of different arrangements between private sector parties and public sector agencies to design, build, finance or operate a facility or asset. PPPs differ from traditional methods of procurement in that the private sector bears a greater range of risks, depending on their level of involvement (e.g. developers bear the risk of cost overruns, operators bear the risk of changes in demand). |
| Special Purpose Vehicle (SPV) | An SPV is an entity set up by a consortium or alliance to act as a central 'hub' to engage sub-contractors and seek debt and equity funding from external sources. |

ACKNOWLEDGEMENTS

These materials have been prepared under the direction of Mark Solomon in his role as a member of the Māori Economic Development Taskforce.

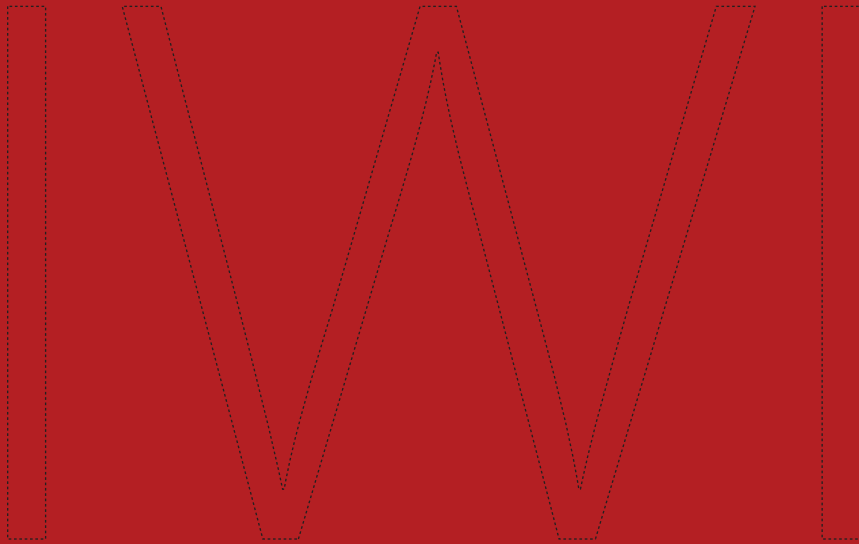
The Māori Economic Development Taskforce was established in March 2009 as a result of the Māori Economic Summit and is a key initiative for the enhancement of Māori economic prosperity.

On 28 January 2009, the Minister of Māori Affairs held an Economic Summit to canvass ideas and potential initiatives to ensure Māori could both mitigate the effects of the economic downturn and position themselves to reap the benefits of economic recovery.

The Māori Economic Development Taskforce is the brainchild of this workshop and will support the introduction and implementation of initiatives to enhance Māori economic prosperity in the short-term and beyond the recession, as well as promote and utilise kaupapa Māori and Māori structures as drivers of prosperity.

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