



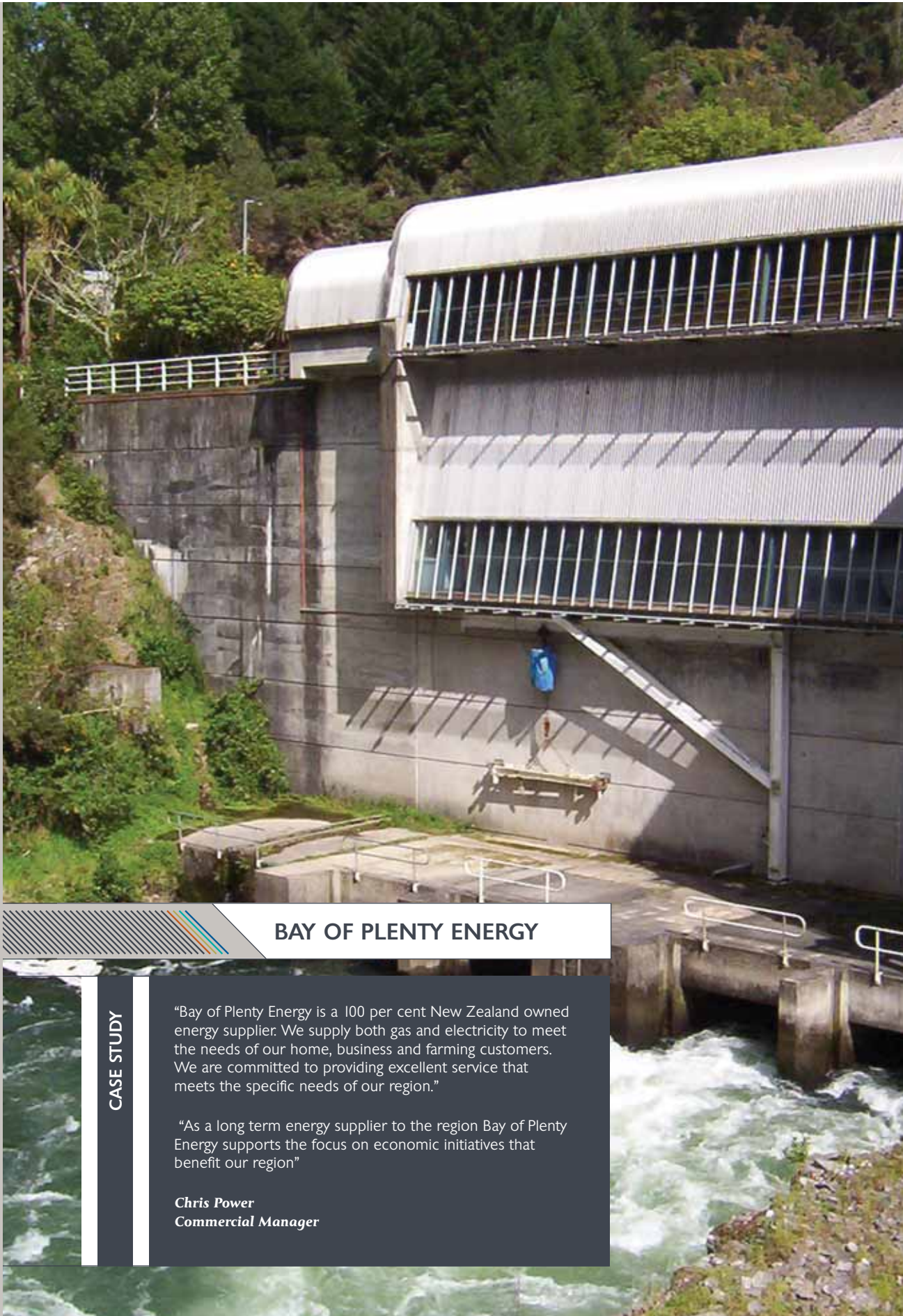
BAY OF PLENTY ENERGY

CASE STUDY

"Bay of Plenty Energy is a 100 per cent New Zealand owned energy supplier. We supply both gas and electricity to meet the needs of our home, business and farming customers. We are committed to providing excellent service that meets the specific needs of our region."

"As a long term energy supplier to the region Bay of Plenty Energy supports the focus on economic initiatives that benefit our region"

Chris Power
Commercial Manager



Smart Economy (Western Bay of Plenty) and Bright Economy (Rotorua)

Background

Following the establishment of the Regional Governance Group it was decided that some work was required to align potential sub-regional strategies. To that end Rotorua District Council received funding from NZTE to have an alignment analysis undertaken of the Rotorua and Western Bay of Plenty strategies known as Bright Economy and Smart Economy respectively. The work involved reviewing both Smart Economy and Bright Economy to identify:

- Regional linkages
- Drivers and opportunities
- Gaps
- Matters where there is both convergence and divergence.

Strategies

The review found that both strategies were well founded on a range of research, community input and policy analysis. There had been considerable stakeholder engagement and input into the direction outlined by each strategy. In respect to Smart Economy there was a high level of collaborative engagement with the agencies that have responsibilities for delivering on strategy actions.

Both the Bright Economy Board and Priority One have considerable business input given the range of business people on each board.

The Western Bay of Plenty has the advantage of having a well defined strategic direction and vision out to 2051 through SmartGrowth, the growth management strategy for the sub-region.

It is within this context that economic development sits and more particularly, Smart Economy provides a 10 year strategy and action plan.

It contributes to the overall direction and vision from an economic development perspective.

Both SmartGrowth and Smart Economy are well aligned and the economic development strategy contributes in particular to the wider environmental, social, cultural and economic outcomes defined in SmartGrowth.

By comparison Bright Economy provides direction and focus from an economic development perspective but does not have the advantage of sitting within an overall long term vision and direction for the Rotorua sub-region.

The economy and economic development do not operate in isolation from other sectors or the community.

Having a wider strategy for Rotorua would allow and provide for other actions and initiatives to occur that may be outside of economic development, but are nevertheless necessary for effective economic development to occur.

Smart Economy

The strategy was completed in May 2004 and takes a collaborative agency based approach to implementation to capitalise on and make the best use of available implementation resources.

Smart Economy sits within the SmartGrowth growth management framework in that it is highly aligned with SmartGrowth to ensure that economic development initiatives and actions support the achievement of the 50 year SmartGrowth vision.

Smart Economy has a focus on innovation and entrepreneurship with a focus on an export led economy. It involves transforming the sub-region's existing strengths into major competitive advantage.

The strengths include highly productive soils, exceptional growing climate, a range of lifestyle opportunities, a manufacturing base with an export focus and New Zealand's largest export port. The strategy was reviewed in 2007 and that review identified five key priorities for action which are identified as;

- Tertiary education and research
- Innovation/business parks
- Growth of export sector
- CBD development
- Power supply and broadband.

Bright Economy

This strategy was completed in March 2005 with a collaborative approach to implementation and has a 10 year horizon. The strategy focuses on encouraging innovation, removing barriers to growing the economy, and changing community attitudes to develop a culture of wealth creation.

The reviewed strategy looks at existing areas of economic focus, future opportunity areas and "gamebreakers". These are outlined as follows:

Existing Opportunities

- Farming
- Forestry and Wood Processing
- Tourism
- Biomaterials

Opportunity Areas

- Immigration and Lifestyle
- Energy
- Water
- Land Use Optimisation

Gamebreakers

- Regulatory Process
- Marketing
- Research and Development.

The recent reviews of both strategies have determined some priorities for action or opportunities that need to be pursued. In respect of Smart Economy there are five key priorities for action defined as follows;

- Tertiary education and research
- Innovation/business parks
- Growth of export sector
- CBD development
- Power supply and broadband

The Bright Economy review outlines 11 areas of focus being;

Existing Areas

- Farming
- Forestry and Wood Processing
- Tourism
- Biomaterials

Opportunity Areas

- Immigration and Lifestyle
- Energy
- Water
- Land Use Optimisation

Gamebreakers

- Regulatory Process
- Marketing
- Research and Development.

Whilst the strategies take a different approach they are not generally in conflict and provided a collaborative approach is taken to implementation there are many opportunities for work to be undertaken in partnership.

Strategy Alignment – Eastern Bay of Plenty

Background

A report on the alignment between district regional development strategies in the Bay of Plenty was prepared to assist the Regional Governance Group to develop a Bay of Plenty Regional Economic Development Strategy.

Toi-EDA, has not functioned during the past year. However, Whakatane District Council has merged the activities carried out by Eastern Bay of Plenty Development Board with Toi-EDA and new Toi-EDA Trustees have been appointed.

Strategy

Given the economic difficulties the sub-region faces, with lower than average incomes, qualifications and employment levels and lack of economic growth, it is important that the reconstituted Toi-EDA perform effectively from an early stage to assist the region to gain optimum benefit from a regional approach to economic development.

Most areas of the Eastern Bay of Plenty share common economic development needs and concerns:

- The two largest districts, Whakatane and Opotiki, have very

similar priorities, consisting of improved infrastructure, particularly roading but also secure energy supply and, to a lesser extent, reliable broadband

- Both districts also place importance on improving, or in Opotiki's case, recreating port access. For Opotiki, port access is vital to allow the district to land and process shellfish from planned marine farms
- Shared interests in forestry and primary production, including horticultural crops that take advantage of the area's equable climate to produce early, high-quality produce
- Extending the existing tourist trail from Rotorua and the Western Bay of Plenty to create a regional menu of events and activities.

Murupara, as a gateway to Te Urewera National Park and rainforest activities, shares an interest in developing tourism opportunities.

Across the entire Eastern Bay of Plenty, Maori-owned land offers significant opportunities for economic growth. Constraints on growth until now have centred on ownership structures, fragmented ownership, governance and management capability in some cases and lack of access to investment capital.

The Central North Island iwi forestry settlement, due to be completed in 2009, will improve access to investment capital for three of the smaller iwi in the sub-region. However there is a continuing, unmet need for training and mentoring to develop governance capability in Maori trusts and ahu whenua incorporations.

All districts have also identified a need to provide skills training targeted particularly at potential growth activities.

Kawerau has successfully addressed one aspect of skills training through MaintainNZ. The Kawerau District differs from other areas in having a strong industrial base and has focused economic development in recent years on engineering and maintenance growth, to the point where local firms now have national clients and export services to Australia.

