

Submission to Youth Parliament
Local Government & Environment
Select Committee

In the matter of
Inquiry into maximising New Zealand's economic benefits and our
green credentials for the Rugby World Cup in 2011

From *Local Government New Zealand* and Economic Development
Agency New Zealand

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Introduction

The Local Government & Environment Select Committee has been asked to conduct an inquiry into “maximising New Zealand’s economic benefits and our green credentials for the Rugby World Cup in 2011 (RWC 2011)”.

To assist the inquiry, this report provides an overview of work underway across the regions and cities of New Zealand - through the work of local government and their regional partners (economic development agencies and tourism associations). The report will also look at the long-lasting effect or legacy this work will have, and why New Zealand needs to invest in it.

The report does not attempt to cover all the work underway or planned in the regions and cities of New Zealand, as there is a substantial amount of data available about the work of the larger cities, available on individual websites. It will focus on the work of regions in general and key activity areas for the regions and cities.

One of the key success factors for RWC 2011 is the legacy of this major event for New Zealand. This includes: business attraction and investment; the learning that will come from running such a significant major event; the value of showcasing New Zealand’s green credentials; the memories that are left behind and the stories that are shared by individuals across the world of their experiences. It is critical that New Zealand profiles the best of who we are, and what we have, at a national and local level.

The role and value of local government to RWC 2011

While central government provides the strategic direction for RWC 2011 (predominantly through Rugby New Zealand (RNZ) 2011 Ltd and the New Zealand 2011 Office), the actual service delivery for the event falls with local government.

Twelve local authorities have contractual agreements in place with RNZ 2011 Ltd to host the 48 matches across 13 venues, with a further ten local authorities hosting teams. This includes providing venues for matches; managing all associated services for hosting games (including the volunteer programme); preparation of the local city to receive the anticipated tourist numbers over a finite timeframe and out of the usual peak season; and planning and delivering the local festival programme.

A regional coordinators group representing all the regions, with identified representatives from either the local authority, the local economic development agency or tourism association, have been working closely with the RNZ 2011 Ltd over the past two years. These coordinators work closely with individuals from their region represented on steering groups and working parties pertaining to specific areas - such as transport and environmental management.

The work of local government extends beyond these host regions to all regions, as visitors travel across the country. Some non-host regions, such as the West Coast District, are planning local festival programmes that will have significant impact on the economy. This region is planning “The West Coast Whitebait Festival” for the entire period of the tournament (which ties in with the local whitebait season); which will be facilitated buy the local Regional Tourism Organisation (RTO) - Tourism Northland. It is anticipated that this will make a significant contribution to the festival programme and the economic benefits to New Zealand. The region would like to continue this as an annual local event, if at all possible.

Local government is committed to ensuring RWC 2011 is a success for all of New Zealand, and has invested in a variety of ways to maximize the economic benefits of RWC 2011.

Maximising the economic benefits of RWC 2011

The economic benefits of RWC 2011 for the cities and regions of New Zealand will be primarily in the areas of:

- business connections

- investment opportunities
- tourism.

In addition to RWC 2011 specific units established in the larger cities (such as Auckland, Christchurch, and Wellington), local government invests in Economic Development Agencies (EDAs), and Regional Tourism Organisations (RTOs) across the country. Through their individual regional work programmes the EDAs and RTOs support each of the key economic areas.

Economic Development Agencies and RWC 2011

Local government invests in economic development agencies (EDAs) and Council economic development units across the country. These agencies (or units) drive the work of regional business development. The EDAs of the 14 regions (represented by the Economic Development Agencies of New Zealand - EDANZ) are the primary point of contact for the New Zealand 2011 Office. They have worked to pull together a cohesive plan to ensure regions make the most of the tournament for business and the economy. Memorandums of Understanding (MOUs) are now in place between each of the 14 regions and the New Zealand 2011 Office (covering the business club and associated activities).

While regions are naturally regionally focused, the EDANZ board (representing all 12 RWC 2011 regions), have made a commitment to think nationally as well. EDANZ has made it a key objective to ensure that RWC 2011 is a core focus and that EDAs have the information and ability to create a legacy out of this major event.

EDANZ has held several working sessions involving other players (Ministry of Economic Development (MED), Tourism, New Zealand Trade and Enterprise (NZTE), Immigration, RNZ 2011 and more recently the NZ 2011 Office). In particular there has been a close working relationship with NZTE to reduce the risk of duplication of efforts and maximize resources.

The primary focus areas for EDAs are:

1. Business readiness
2. Inward investment
3. Skills and talent

Some key achievements:

- Business-ready information on all regional websites (note: some regions have RWC 2011 specific sites, while others have pages on their own sites). This provides information to businesses about the tournament (including details of related legislation), and supports individual business preparedness. This will help maximise the benefits for individual businesses through the tournament, and can be re-used with minor adjustments for future major events in New Zealand - a legacy from RWC 2011
- All the regions are funding "Pass it on"- this is a Kea (Kiwi Expatriates Association) initiative to encourage expat Kiwis to be selling RWC 2011 and more importantly New Zealand. The idea is to get as many people on line as possible <http://www.passiton.co.nz/>
- Regions have signed up to Tender link - an NZTE initiative, which gives opportunity for collaborative tendering for RWC 2011 specific projects. This was established too late for the tendering process of some large projects (such as the Dunedin stadium), but has added value to other large projects
- To benefit from the international business visitors, EDANZ is working with New Zealand Venture Capital Association (NZVCA) and Angel Association to hold an Investment week - provisionally the week following the finals
- Regions were involved early on with *Kia Ora Mai* and other training schemes such as EventStar in Auckland. These customer service initiatives are designed to train front-line service delivery staff in a range of industries (including shops, restaurants and i-site / local tourism centres). It is important to provide a positive experience for individuals as they travel across New Zealand, and develop individual "good stories" about their experience in New Zealand that will spread across the world.

The EDANZ Board meets quarterly and spends a half day on RWC 2011 and initiatives that may be of benefit to the regions. A huge part of this is about sharing ideas about projects that may work in other regions.

The table in Appendix A indicates some of the activity in place across individual regions, and identifies the key business focus areas for that region. (The regional sectors generally align with national priority sectors of food and beverage, primary industry, food, information and communications technology, film, energy and minerals, marine, aviation, racing/bloodstock, rugby, and investment).

International businesses are able to identify the region that most closely matches their business needs when they register through the NZ 2011 Government Ambassadors programme and the NZ 2011 Business Club. Both these programmes aim to make the most of the opportunities that come with hosting one of the world's biggest sporting events and the 85,000 visitors it is likely to bring.

Regional Tourism and RWC 2011

Rugby World Cup 2011 is rated a major world event and number one for its economic impact on the hosting country. Work is underway to produce an official Rugby World Cup Travel Guide for visitors to New Zealand, which covers pertinent information pertaining to regions and cities. Many regions have local information on their websites and the RNZ 2011 Ltd website has links to all host regions, and includes information regarding the festival programme.

The work across the regions is designed to showcase the best of the local area, and maximise the benefits to the local economy both during the tournament and by building a legacy for the future. The work is vast and varied, and it would be too complex to attempt a comprehensive summary of all activity underway. Tourism Organisations from two regions, Coromandel and Southland, were contacted for the purposes of this report to evaluate regional specific activity. They are presented herewith as "abstract case studies".

Case Study: Tourism Coromandel

Potential benefits for the region

It is expected that there will be both short term benefits of economic impact, and regional marketing long-term benefits.

Marketing the Coromandel

Following a cost benefit analysis undertaken by Tourism Coromandel for a one off marketing campaign; local councils (Thames District Council and Hauraki District Council) have now invested \$135,000.00. This will go towards marketing the region for the tournament.

A conservative estimate, based on the original (there has now been a higher estimate released) 60,000-65,000 visitors forecast to come to NZ, indicates that the potential economic benefits to the local economy will be up to \$2.2 million. It is anticipated that this will be realised in a variety of forms - including increased night stays, expenditure in restaurants, shops and visits to local attractions.

This campaign is not just about RWC 2011. It is anticipated that the campaign will generate awareness about the region prior to the cup; provide a memorable experience while visitors are here; and result in stories they will want to share on their return home.

The marketing campaign - yet to be launched - will focus on: promotion of events, and an online component including development of a RWC 2011 micro site.

Attracting visitors to the Coromandel

The region will actively promote events that are synonymous with the region, that tourists could typically experience when they come to *The Coromandel* at any time. (The wider community of festival and events organisers have been consulted.)

Most of the events are planned to be staged either side of games that are within two hours of the region and are the region's key markets.

The Scallops Festival will be pulled back three weeks and run for two days to coincide with key markets that are playing in Auckland and Hamilton (Australia, Ireland and Japan).
www.scallopfestival.co.nz

The events will contribute to the festival atmosphere of NZ and bring long-term benefits for the region (and events themselves), when travellers return home and talk about them.

Collaboration with central government agencies

Tourism Coromandel, work closely with Tourism New Zealand, Ministry of Tourism and other national bodies such as Tourism Industry Association.

Developing a legacy

Meeting and exceeding expectations of the visitor experience is important to both a Regional Tourism Organisation (RTO) and central government.

The region will provide good information for visitors pertaining to restrictions or travel arrangements prior to their visit. There will be online information regarding prohibition of Freedom Camping, which impacts the region in peak season extensively; with a view to caring for the natural environment, and individual personal safety.

Tourism is an essential economic driver for the region, and while this is understood there is still the need for a greater appreciation of the fundamentals of the industry and the benefits it brings. The RWC 2011 will bring a larger volume of travellers for the Sept/Oct period. However, the Ministry of Research does not envisage the numbers to peak as high as the summer season. This illustrates the opportunity for the region to embrace the concepts of *manaakitanga* and *kaitiakitanga* at other times of the year (not just during the tournament).

Aside from the increased visitor numbers for the September, October and November months it is anticipated that RWC 2011 will act as a catalyst to further galvanise the community behind the tourism industry going forward.

Case Study: Venture Southland

Potential benefits for the region

In addition to anticipated financial benefits to the region, it is expected that there will be added benefits to:

- developing a pride of the region from being involved in an international event
- the positive perception of the city by being given two games plus hosting three teams
- building on the partnerships that have developed with other regions - Queenstown, Otago, and Southland prepared a joint bid to RNZ 2011, an initiative known as the "Spin it Wide campaign"
- the added long-term value of upgrading and tidying up the city mall
- positive media coverage of Southland through the tournament
- increased training of front line staff to give the visitors a great experience.

Attracting visitors to Southland

To attract visitors to the region - there will be oysters available out of season! This has been accomplished with the involvement of the city and oyster quota holders. The season normally finishes at the end of August. Races have been scheduled in the city the Friday night before each of Southland's Saturday games. The farmers' market will be available. Taste of Southland Menu throughout the regions restaurants and the region is planning for an oyster bar in Bluff.

Marketing Southland

The region will utilise the showcase Southland Mall - The Taste of Southland Mall. This will have a satellite i-site, Southland movies, Southland artists performing, showcase Southland fashion, food, industry and education. Trips to Stewart Island, Catlins, Te Anau will be, as they always are, available.

Maximising our green credentials for the RWC 2011

International marketing of New Zealand as “100% Pure” and our “Clean Green Image” has created a reputation for New Zealand of good environmental standards. This reputation is supported by the FutureBrand 2009 Country Brand Index ranked New Zealand fourth in the country brands orientated towards environmental protection. The concepts of *manaakitanga* (hospitality) and *kaitiakitanga* (guardianship) are integral to the New Zealand Tourism Strategy and the marketing of New Zealand.

These principles and concepts are interwoven into local government’s service delivery, and addressed through established “business as usual” mechanisms that respond to identified local needs across the country. Such mechanisms include: zero waste strategies, management of local facilities (such as public toilets, dumping stations, water services, litter enforcement, and recycling facilities (now available to 98% of New Zealanders)); town beautification / town planning; and projects to protect the indigenous eco systems of New Zealand. During RWC 2011 host regions will:

- provide leadership through the environmental leaders group
- deliver and fund of the commitments made to RNZ 2011 through their match and team host agreements
- develop and deliver their regional programme.

To support the green credentials for New Zealand during RWC 2011, the following priority areas and objectives have been agreed:

Priority Area	Objective
1. Waste	Reduce waste sent to landfill and the consumption of non-renewable resources
2. Domestic Transport	People travel to and from RWC 2011 matches and associated festival events safely, efficiently and in a timely manner
3. Energy	Reduce consumption of energy and fuel
4. Communications	Provide information to visitors on the programmes in New Zealand and publish the good new stories
5. Sustainable Procurement	Reduce the environmental impact of RWC 2011 products and services as far as practical, delivering improved environmental performance of businesses, products and services.

A good example of activity in place across the regions is the Christchurch Target Sustainability website <http://www.targetsustainability.co.nz/>. Target Sustainability provides free support to help Christchurch businesses become sustainable through reducing waste and being energy and water efficient. This site identifies facilities provided by the city council and identifies actions that a business can take to develop sustainable practices. Areas covered include: energy consumption (2% reduction in energy used would result in a saving of \$32million to the Christchurch community); water use (one dripping tap can waste 2,000 litres of water per month.

Over one year this is equivalent to 28,000 glasses of water); provides a recycling directory and a number of local business case studies.

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APPENDIX A

Indicative (not exhaustive) Summary of activity in place across the regions

Region	Activities	Key sectors
Northland	<ul style="list-style-type: none"> • Northland2011.com dedicated RWC website • Coordination & Liaison • Team Hosting, Match Days & Festival Programme • Visitor Programme • Business-Ready & Inward Investment Programmes • Dedicated person • Pass it on • Tender link • Business Club 2011 	<ul style="list-style-type: none"> • Marine • Agriculture
Auckland	<ul style="list-style-type: none"> • Online business Guide and tool kit - Auckland2011.com dedicated web site • Regular direct marketing to EDA databases • EDA and newspaper publications used to promote RWC as well as radio • Targeted workshops for businesses • Business networking and sector showcasing • Communications and marketing plan to attract skilled migrants to Auckland during the period of RWC • KiaOraMai and EventStar • Pass it on • Business Club 2011 • Community activities involving festival and event alignment • Development of destination experiences and getting operators market ready • Dedicated RWC resource 	<ul style="list-style-type: none"> • Yacht Design Symposium in early October 2011 • Massey University's Sports industry Forum from 2-4 September 2011 • Medical Devices Conf in July/August 2011 • Food and beverage festival during the course of the event is being discussed with 2011 at present
Hamilton	<ul style="list-style-type: none"> • engaging with local business leaders to establish sector hosts • Planning of business events and functions • business leveraging project • Links on web site to support and up date the community • Developing regional investment prospectus and website portal • Kia Ora Mai • Kea Pass it on • Tender link • Business Club 2011 • Member of the Hamilton City Council led Steering Group 	<ul style="list-style-type: none"> • Food, • Ag-bio, • Aviation • Agri-tech business centre • Centre for scientific research.
Bay of Plenty	<ul style="list-style-type: none"> • Kia Ora - the worlds warmest welcome • National Cycleway: It is targeted that some of the five routes in the region (BOP/Waikato/Taupo) will be completed • Kia Ora Mai - aim is to have up to 5000 volunteers skilled in major events • Much work with businesses to harness the tourism aspect of Rotorua and the Bay of Plenty for the cup, but there is considerable work on the legacy so regional investors can see the benefits to 2021 and beyond. • Pass it on 	<ul style="list-style-type: none"> • New Zealand Forestry Festival (Winning with Wood) - It has been assessed at contributing up to \$20m in offshore export • Food Trail • Indigenous food and beverage experience as part of the Rotorua festival of activities.

Region	Activities	Key sectors
	<ul style="list-style-type: none"> • Tenderlink • Business Club 2011 	
Taranaki	<ul style="list-style-type: none"> • Co-ordinator of the Taranaki bid • Funding many of the components of hosting • Business opportunities • Investment legacy • Branding • Marketing • Dedicated resource • Pass it on • Kia ora mai • Tenderlink • Business Club 2011 	<ul style="list-style-type: none"> • Oil and Gas project in partnership with Southland, Dunedin and Nelson
Hawkes Bay	<ul style="list-style-type: none"> • STAR - Sustainable Tourism Advisors in the Regions • Kia Ora Mai • Pass it on • KEA Hawkes Bay • Tenderlink • Business club 2011 • Business meetings have been held with local businesses to discuss all of the above. • Social marketing campaign that will run through to the end of the tournament • Business readiness/information • Dedicated Staff member 	<ul style="list-style-type: none"> • Food and wine
Manawatu	<ul style="list-style-type: none"> • Business Survey to understand what businesses are already planning or looking at planning (Part of business retention and expansion programme). Also aimed at getting businesses thinking about RWC • Business Club 2011 • Pass it on • Looking at events and ensuring fit within MEMA guidelines • Part of RWC steering group • Kia Ora Mai and visitor ready programmes • Dedicated resource • City and District launch 19 & 26 May - inviting nominations for events - community engagement 	<ul style="list-style-type: none"> • Our People our Place festival • Rugby Museum • Education
Wellington	<ul style="list-style-type: none"> • Engagement of high net worth individuals coming to NZ. • Work around understanding 'host' countries' import/export interests and synergies with Wellington • Working with international business associations i.e. CANZBC • Engagement of a NZ sports agent to help reach international business people. • Talking with South Africa around Football WC and selling both stories. • Pass it on • Business Club 2011 • Wellingtonnz2011.com 	<ul style="list-style-type: none"> • food and beverage • primary • manufacturing • education • screen and digital technologies • biotechnology and life sciences • sustainable and renewable energy
Nelson	<ul style="list-style-type: none"> • Coordinator and funder of Nelson bid • Part of implementation group • Nelson2011.com 	<ul style="list-style-type: none"> • Aquaculture • Wine • Cuisine

Region	Activities	Key sectors
	<ul style="list-style-type: none"> • Investigating business engagement offshore with teams playing in Nelson • Working on FD investment • Business newsletter • Online business opportunities guide • Tenderlink • Pass it on • Business Club 2011 • Kia ora mai 	<ul style="list-style-type: none"> • Natural Products • Oil and Gas
Canterbury	<ul style="list-style-type: none"> • Focus on legacy • Ensuring businesses are informed and ready to take advantage of the opportunities • Kia Ora Mai • Development of new tourism offerings • Business partner updates - 3 monthly • Newspaper campaign to raise awareness • Tenderlink • Business Club 2011 • Pass it on • Argentinean Investment Group - seminar with local companies who target the Argentinean market • Targeted leaflet drop - similar initiative to the Lions Tour in 2005 - targets investment and skilled migration • Promotion of tertiary institutions • After fives for business networking • Business Centre at the Convention Centre idea (for during the cup) • CDC has role to follow up on all leads generated 	<ul style="list-style-type: none"> • Food & wine • agriculture
Dunedin	<ul style="list-style-type: none"> • Database of local businesses and their international connections • Spinitwide2011.co.nz • Pass it on • Tenderlink • Business Club 2011 	<ul style="list-style-type: none"> • Oil and Gas • Education
Southland	<ul style="list-style-type: none"> • Spinitwide2011.co.nz • Pass it on • Tenderlink • Business Club 2011 	<ul style="list-style-type: none"> • Oil and Gas • Science research

