



Economic Development Strategy Refresh for the Eastern Bay of Plenty

FINAL

February 2025

Key terms

- **Eastern Bay of Plenty.** A sub-region of the Bay of Plenty including the three District Councils of Ōpōtiki, Kawerau and Whakatāne.
- **Toi EDA.** The Economic Development Agency for the Eastern Bay of Plenty.
- **Regional Infrastructure Fund (or RIF).** A \$1.2 billion fund to be administered over three years by Kānoa – the Regional, Economic Development and Investment Unit. Funding can be allocated to build new infrastructure or improve existing assets- boosting growth, resilience and productivity in the regions.¹
- **Regional Deal.** A long-term agreement between central and local government, to achieve key regional outcomes that generate significant benefits. Regional Deals typically involve both central and local funding, and greater devolution of decision making from central to local government.²

¹ Kānoa: Regional Economic Development & Investment Unit (2024). Regional Infrastructure Fund. Retrieved from <https://www.growregions.govt.nz/new-funding/regional-infrastructure-fund>

² Infrastructure New Zealand (2023). Position Paper: City and Regional Deals- Laying the Foundations for Partnership. Retrieved from <https://infrastructure.org.nz/wp-content/uploads/2023/11/Infrastructure-NZ-Policy-Postions-City-and-Regional-Deals-v2.pdf>

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Executive Summary

Context

The Eastern Bay of Plenty is blessed with rich natural resources and a long, proud history, but it also faces industrial and socio-economic challenges.

In 2018-19, the sub-region successfully attracted substantial investment from the Provincial Growth Fund (PGF), to foster development in aquaculture, high-value horticulture, manufacturing and tourism, which in turn would lift community wellbeing. The potential for catalysing these sectors led to the Eastern Bay attracting the most PGF investment of any region on a per capita basis.

Much has been achieved since then—including the redevelopment of the Ōpōtiki harbour which will foster growth in the aquaculture sector; the launch of New Zealand's largest 'by Māori for Māori' blueberry farm in Te Teko; the creation of roading links and serviced sites at the Kawerau Putauaki Industrial Development; and the restoration of Whakatāne's 100-year-old wharf. Kiwifruit production has expanded. The Whakatāne board mills have reinvested.

While the Eastern Bay has seen significant economic progress, some initiatives have faced setbacks. The 2019 Whakaari / White Island eruption deeply affected families and disrupted parts of the tourism sector. Norske Scog closed the paper manufacturing plant at Kawerau. The Putauaki Industrial Development continues to build momentum, but further investment in containerisation facilities and rail links are required to attract tenants. In Whakatāne, revitalisation efforts are ongoing, with a focus on strengthening the CBD as a vibrant commercial centre.

Across the sub-region, housing, transport, workforce availability, and access to capital remain important enablers for sustained development. It is challenging to attract suitably skilled staff; to house them in quality, affordable homes near their place of work; to efficiently connect businesses across the supply chain; and to attract private capital that could fund transformation. Collectively addressing these constraints will unlock greater opportunities for investment, and for business and community prosperity.

The wider landscape has also changed. A National-led Coalition Government came to power late in 2023, with new priorities and new programmes. Extreme weather events are becoming more frequent and challenging. Major iwi settlements are complete, meaning iwi are well-positioned to lead or support major economic initiatives.

It's now time for a refreshed strategy for the Eastern Bay. This strategy has the same DNA as it did in 2018. It's evidence-based, it has been collaboratively developed, and there is a focus on shared success across the sub-region (the districts of Ōpōtiki, Kawerau and Whakatāne). What differs is the long-term view—looking to the horizon of 2050.

The strategy is based on an Economic Development Framework that aligns and coordinates economic activity across the sub-region. The framework sets out *why* economic development matters, *what* to focus on, and *how* to unlock growth.

The purpose of this strategy is to unlock resilient economic development for the Eastern Bay of Plenty. Economic growth for its own sake means little—but economic development can be a powerful lever for delivering social, cultural and environmental outcomes for local communities. This document is to be used as a shared blueprint to unlock resilient economic development in the medium- and long term.

Economic development will succeed if it fosters prosperity, resilience, regional competitiveness, strategic alignment between the three districts, and mahi tahi – or a collective response to shared constraints and opportunities.

Economic development will centre on three Development Focus Areas across the three districts. The intent is to accelerate economic development across the Eastern Bay by leveraging local advantages and existing specialisations, while taking a collective approach to common regional opportunities and challenges where appropriate and efficient to do so.

Eastern Bay of Plenty: Economic Development Strategy Summary

2050 Vision:

The Eastern Bay of Plenty will be a prosperous, high-productivity sub-region with flourishing communities and robust infrastructure. The Eastern Bay's diversified economy, underpinned by a strong bi-cultural foundation, supports nationally and internationally competitive industries, ensuring a vibrant and inclusive future that fosters social, environmental, and cultural wellbeing.

Ōpōtiki will become an aquaculture centre of national and international significance. The district has an opportunity to develop a multi-billion-dollar aquaculture industry, leveraging the \$200m+ of investments that have been made to date, including the recently launched Ōpōtiki harbour entrance and onshore processing facilities. The region could become a major player in the end-to-end supply chain, covering the growth, processing and export of aquaculture products to both domestic and international markets.

Kawerau will be a green industrial and energy hub, harnessing sustainable energy for use in innovative, tech-led manufacturing. The district has an established geothermal plant, strengths in forestry, and a modern industrial park that could all be leveraged to foster innovative, sustainable and high-value industries.

Whakatāne will amplify their role as the commercial and residential heart of the Eastern Bay- attracting people to live, work and play in the district. The centre will combine core social services, professional services, education and training providers, along with hospitality and placemaking ventures that enhance liveability. Manufacturing will continue to grow. Whakatāne will create cross-regional value, accelerating growth and development across the whole Eastern Bay.

In order to achieve these ambitions, and lift the wellbeing of locals, four cross-cutting constraints must be addressed – housing, transport and connectivity, workforce and capital.

- **Housing.** There is a lack of affordable, quality housing in places where locals and newcomers wish to settle. This makes it harder to attract and retain new talent from outside the region, and it limits local relocation, meaning talent becomes less mobile and businesses find it harder to recruit the personnel they need.
- **Transport and connectivity.** There are connectivity constraints within and around the Eastern Bay. Poor-quality roads, capacity limitations, and over-reliance on road networks for freight, all contribute to congestion, lower productivity and higher business costs.
- **Workforce.** There is misalignment between the local labour force and the roles available, meaning businesses have trouble sourcing the talent they need, and locals are hampered in their employment and career development. A strategic approach to workforce development, support and incentives is required.
- **Capital.** The sub-region has struggled to attract private capital which could accelerate industrial growth and economic development. Additional public funding would also help to address the cross-cutting constraints related to housing, transport and the workforce.

The sub-regional constraints are interrelated and interdependent, which means sequenced and coordinated action will be required to address them. The recommended pathway is to enable housing, then transport connectivity, which will support workforce capacity and skills development in turn – setting off a positive feedback loop. Capital serves as a central enabler.

Success in these areas looks like – the right number and mix of housing, in the right locations; a comprehensive and resilient transport network that improves connectivity within the sub-region and between regions; an engaged and skilled local workforce that can meet industry needs now and in future; and private industry successfully elevating to the next level of size and scale, supported by enabling public initiatives.

This strategy represents six months of input and effort from Council, iwi, business leaders, advisers and more. **But in many ways, it's only a starting point**, and it's now time to convert strategic intentions into reality.

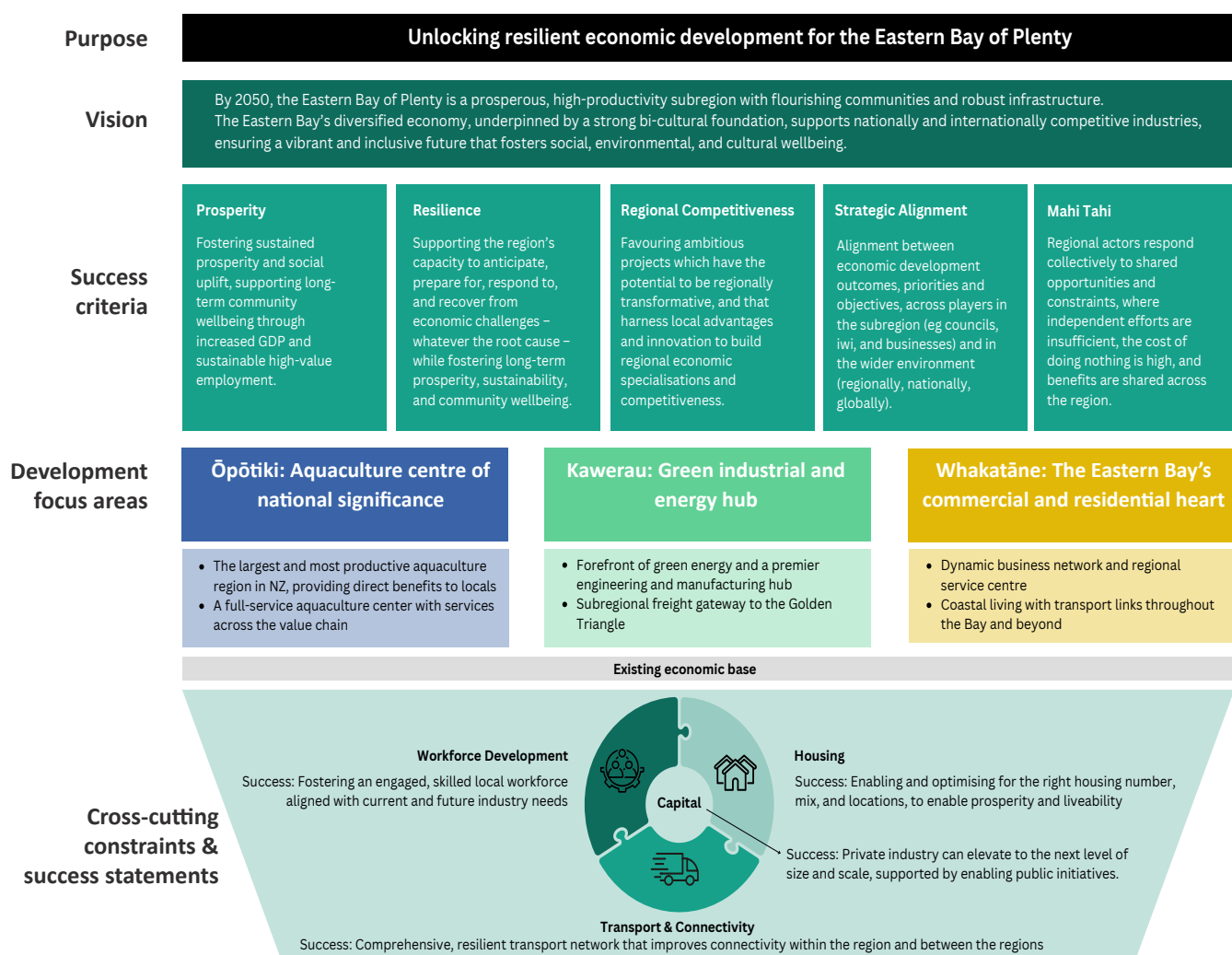
Once this strategy is formally adopted:

- Cross-cutting constraints should be addressed at the sub-regional level, aligning with the Spatial Plan.
- Districts can prepare localised plans for the three focus areas of aquaculture in Ōpōtiki, green industry in Kawerau, and the Eastern Bay's commercial and residential heart in Whakatāne, working in collaboration with local iwi and industry.

- The sub-region should in parallel prepare a shared application to the City and Regional Deals programme and the Resilient Infrastructure Fund.

This strategy is about getting 'new bang for old buck' and maximising the value of the investments that have already been made in the Eastern Bay. It's about finishing what was started and generating shared prosperity for generations to come.

Eastern Bay of Plenty Economic Development Strategy Summary



Introduction

Looking back: A brief history of Economic Development in the Eastern Bay

The Eastern Bay of Plenty is blessed with rich natural resources and a long, proud history, but it also faces industrial and socio-economic challenges. In 2018, the sub-region successfully attracted the country's highest per-capita injection of Provincial Growth Fund investments, to foster development in aquaculture, high-value horticulture, manufacturing and tourism. Much has been achieved since 2018, but some initiatives have been hard-hit by natural disasters and roadblocks, and business growth remains constrained by workforce challenges, housing, logistics and access to capital.

The Power of Economic Development

The Eastern Bay of Plenty is blessed in many ways.

The sub-region enjoys a favourable climate, fertile soils and rich natural resources including fishery and forestry stocks.

Its people have a long, proud history, dating back to the first settlement by Tiwakawaka in modern-day Whakatāne, over 1000 years ago.³

There is a diverse and robust industrial base – including nationally and internationally competitive players in horticulture, manufacturing, forestry and wood processing, tourism, energy, aquaculture, and many others.

The three districts in the sub-region- Ōpōtiki, Kawerau and Whakatāne – are all strongly connected, creating economic resilience and a strong foundation for further development.

However, the Bay faces a range of interconnected challenges – like industrial decline, ageing or absent infrastructure, and socio-economic deprivation. For instance:

- The Eastern Bay remains one of the nation's most deprived areas, with an average deprivation score of 8.5/10 versus a national average of 5.6, when considering education and healthcare, employment and income, housing, crime, and access to services.^{4,5}
- In 2023, unemployment rates were more than twice the national average (7.4% versus 3.3%), and close to one-quarter (23.1%) of working-age people were receiving a benefit.⁶

The upshot is- economic development can be more impactful in the Eastern Bay than in comparatively better-off areas. As the shared constraints on economic development are lifted, benefits will accrue to regionally significant players, both big and small. As a cluster approach is adopted – connecting businesses, innovators and skills providers – we'll see the Eastern Bay maximising its locational and competitive advantages. In short, economic development will help to meaningfully improve people's lives.

³ Whakatāne District (Nd). History of the Eastern Bay of Plenty. Retrieved from <https://www.Whakatāne.com/live-and-work/about-Whakatāne-and-eastern-bay-plenty/history-eastern-bay-plenty>

⁴ University of Auckland School of Population Health (circa 2018). Deprivation and Health Geography within NZ: 2018 New Zealand Index of Multiple Deprivation (IMD18). Retrieved from <https://imdmap.auckland.ac.nz/download/>

⁵ MBIE (2024). Deprivation index in New Zealand. Retrieved from <https://webrear.mbie.govt.nz/theme/deprivation-index/map/timeseries/2018/new-zealand?right-transform=absolute>

⁶ MBIE (2024). Regional Economic Activity Web Tool. Retrieved from <https://webrear.mbie.govt.nz/summary/new-zealand>

2018: Our successful strategy

In 2018, the sub-region put together an Economic Development strategy that was evidence-based, collaboratively built, and highly compelling. The strategy attracted \$250 million of direct investment via the Provincial Growth Fund and over \$400 million of total investment – the highest per-capita injection of economic development investment in the country.

The 2018 strategy focused on development in four key areas: aquaculture, high-value horticulture, manufacturing and tourism.

Since 2018: Project wins and headwinds

Much has been achieved since 2018, and these successes should be celebrated. However, other initiatives have been hard-hit by natural disasters and roadblocks.

Aquaculture

Development of the aquaculture sector primarily centred on developing the Ōpōtiki harbour entrance. This \$100 million initiative was one of the country's largest non-roading infrastructure projects, and it was delivered on time and on budget, a feat typically achieved by less than 10% of major works.⁷

The new harbour features two retaining walls that redirect the mouth of the Waioeka River through a canal dredged to 4 metres. The harbour can now be accessed in all tides and all-weather conditions by large commercial mussel and fishing boats, and by recreational boaties. Vessels can readily service the 4000ha offshore mussel farm, along with 10,000+ ha of planned development, and access the onshore processing facilities at Whakatōhea – which previously required a 40km journey from the Whakatāne wharf.

High-value horticulture

High-value horticulture focused on improving irrigation on Māori-owned land, and scaling up developments of kiwifruit, blueberries and manuka, particularly in deprived communities. Since 2018, the country's largest blueberry orchard has opened at Te Teko, with a 'by Māori for Māori' business model.⁸ Kiwifruit acreage has increased, and the Minginui nursery is playing its part in regenerating native forests.⁹

There is further development potential in both kiwifruit and other horticulture subsectors. Ōpōtiki has highly fertile land and potential for expansion, particularly on Māori land, with potential for synchronised seasonal employment between horticulture and aquaculture. Going forward, care should be taken to align development with the needs of local communities- providing sustainable employment to the local labour force, and ensuring a reasonable share of the value created flows on to those communities.

Manufacturing

Manufacturing themes centred on improving the Eastern Bay's manufacturing capability and supply chain links, particularly via the Kawerau Putauaki Industrial Development which would offer warehousing, container packing, and improved roading and rail links; and opportunities to expand Whakatāne boatbuilding and other manufacturing.

The second stage of the Kawerau industrial zone is now complete, with all industrial sites connected to roading and utility services.¹⁰ Key connecting roads have been built, including a 1.6km stretch off State Highway 34 that connects private forestry sites to the industrial zone, and a rail link is planned. Kawerau has also unique resources in shallow and deep geothermal energy, that could become key drivers of the industrial hub.

However, to date, the industrial zone has struggled to attract a full suite of tenants. The container hub and rail links are not yet established, which has made it harder to attract industry; several early prospects did not proceed; and competition is set to increase as business parks are fully established in Rangiuru and Rotorua. The next key target will be to optimise utilisation, to drive return on investment in line with Kawerau's Green Business strategy.

Manufacturing remains a cornerstone of Whakatāne's economy, with local businesses scaling up and shifting toward high-value, advanced manufacturing. Whakatāne Mill is reinvesting in substantial new plant, while Surtees and Extreme continue to strengthen their position as leading small boat builders. Several other firms are seeking to expand. Continued investment in workforce development (countering an ageing workforce), transport infrastructure, and access to capital will help unlock the

⁷ Lipford (2023). Book review: How Big Things Get Done- The Surprising Factors That Determine the Fate of Every Project, from Home Renovations to Space Exploration and Everything in Between. The Independent Review: A Journal of Political Economy, 28(2). Retrieved from <https://www.independent.org/publications/tir/article.asp?id=1900>

⁸ Waatea News. (2020, July 7). Te Teko blueberry farm largest in Aotearoa – owned by Māori for Māori. Retrieved from <https://waateanews.com/2020/07/07/te-teko-blueberry-farm-largest-in-aotearoa-owned-by-maori-for-maori/>

⁹ Minginui Nursery (2024). Retrieved from <https://minginuinursery.co.nz/>

¹⁰ Putauaki Trust. (2020). Industrial zone. Retrieved from <https://www.putauakitrust.com/industrial-zone/>

manufacturing sector's full potential, and drive further economic growth across the sub-region.

Tourism

Tourism centred on the redevelopment of Whakatāne, including Wharf and waterfront improvements to support tourism services and marine-based industries. The key success has been the remediation of the 100-year-old wharf, which re-opened in 2022.

The 2019 eruption of Whakaari / White Island proved devastating for the families of those killed or injured, and for the livelihoods of those in the local tourism sector.

Plans to develop the river promenade and the CBD paused after public consultation in 2020, due to uncertainty about the Regional Council's plans to raise the town's stop banks to minimise the impact of flooding and other extreme weather events.¹¹

Development of the boat harbour has also paused, while careful consideration is given to managing any historical contaminants from wood waste.¹²

Since 2018: Strategic constraints and opportunities

Alongside the project-specific wins and challenges, the Eastern Bay faces a dynamic landscape of constraints, threats and opportunities.

Constraints and threats

There are cross-cutting constraints related to the workforce, housing, logistics and access to capital, all of which have slowed business growth. It is challenging to attract suitably skilled staff; to house them in high-quality, affordable homes near their place of work; to efficiently connect businesses across the supply chain; and to attract private capital that could fund transformation in these areas. As a result, business growth and economic development have been constrained.

These constraints are described in more detail in section 4.

More generally, the Bay is vulnerable to sea-level rise, flooding, cyclones and other extreme weather events driven by climate change.

Opportunities

The political context has changed, with a National-led coalition Government coming to power late in 2023. The coalition brings a focus on regional development, along with new funds and rules for investment. This creates an opportunity to align the Eastern Bay's economic development plans with broader national economic goals and attract additional funding and support.

Major iwi settlements are also complete, with Whakatōhea signing in 2023. The \$100 million package is one of the largest and most comprehensive of any iwi in the motu, including access to 5000 ha of marine space. As iwi leaders explain, "The real value of our Settlement lies in the 5000ha of marine space which will create numerous opportunities for our whānau now that the Ōpōtiki harbour development project is underway."¹³

Looking forward: A refreshed Economic Development strategy

It's now time for a refreshed Economic Development Strategy for the Eastern Bay. A strategy with the same DNA as 2018 – based on evidence, collaboration and shared success.

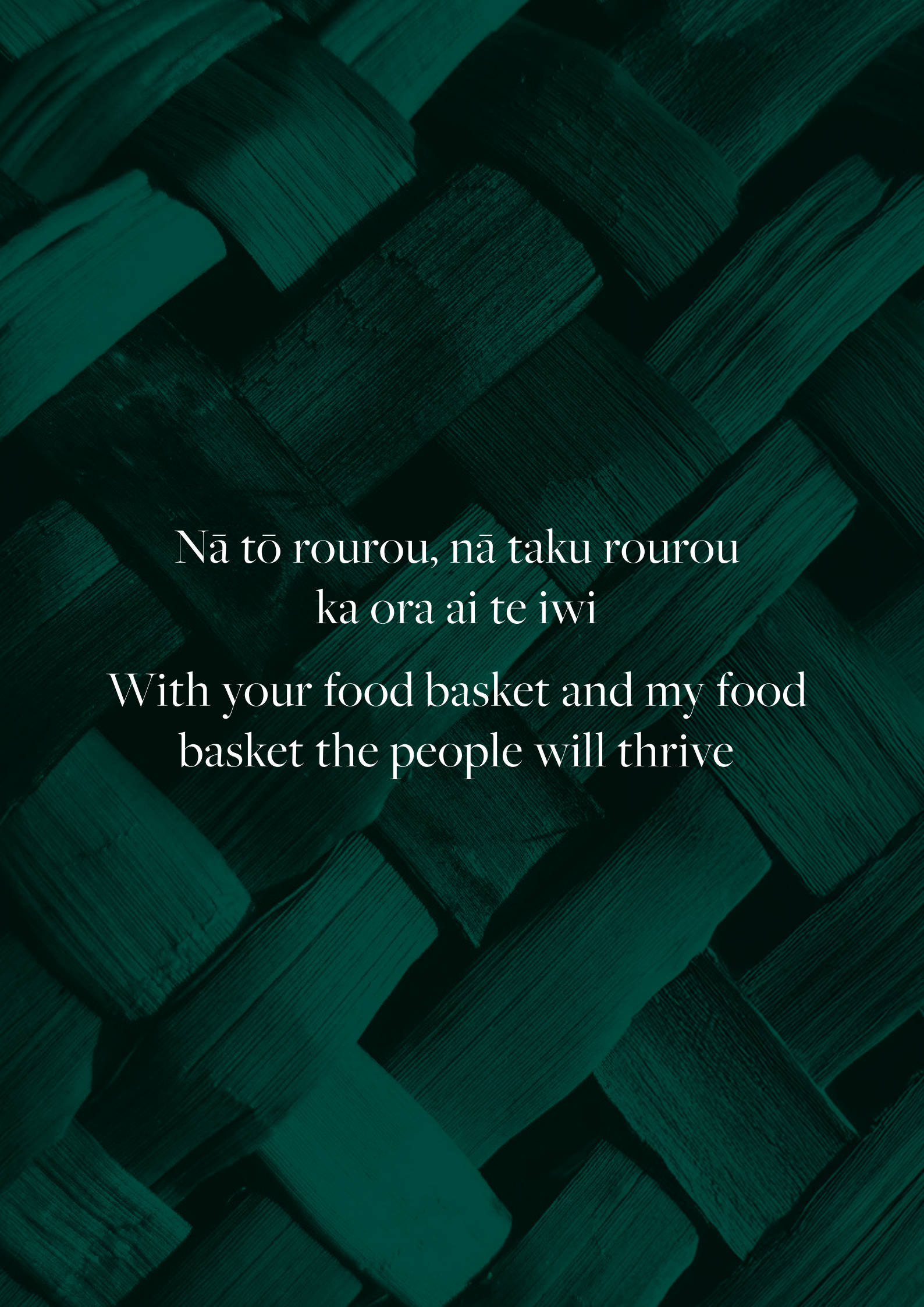
This is a refresh- because the strategy extends the good work that began in 2018. It's a refresh because the focus is on getting new bang for old buck. Maximising the investments that have already been made in the region, and finishing what was started.

This strategy contains the same DNA as 2018. It's based on evidence and a deep understanding of the local context. It was developed collaboratively, and it focuses on shared challenges and opportunities across the Eastern Bay of Plenty. Because success won't happen in siloes. The people, businesses and districts of the Eastern Bay will succeed through strategic, collective action.

¹¹ McCarthy, E. (2023, August 25). Whakatāne boat harbour: Potential for contamination causing hold-up. *Rotorua Daily Post*. Retrieved from <https://www.nzherald.co.nz/rotorua-daily-post/news/Whakatāne-boat-harbour-potential-for-contamination-causing-holdup/2GCXZQAYN5BZXJWGDFTW5LUM4A/>

¹² ibid

¹³ Te Tāwharau o te Whakatōhea. (2023). First Reading of the Whakatōhea Settlement Claims Bill. Retrieved from <https://tewhakatohea.co.nz/our-settlement/>

The background of the entire image is a close-up, high-resolution photograph of a teal-colored woven material, likely a basket or mat. The weaving pattern is a complex, interlocking diagonal twill or herringbone style, creating a series of raised and recessed ridges and valleys. The lighting is even, highlighting the texture and the rich, slightly dark teal color of the fibers.

Nā tō rourou, nā taku rourou
ka ora ai te iwi

With your food basket and my food
basket the people will thrive

The Economic Development Framework: Overview

The purpose of the Eastern Bay of Plenty Economic Development Framework is to coordinate economic activity across the sub-region, and address key constraints in order to foster greater prosperity and wellbeing. The framework clarifies what success looks like, key focus areas for development, and the cross-cutting constraints that will be addressed.

Purpose of the framework

This framework will help to align activity across the three Districts of Ōpōtiki, Kawerau and Whakatāne. It will:

1. Align the focus of economic development.
2. Serve as an input into the Regional Spatial Strategy.
3. Preface future applications to the government's Regional Infrastructure Fund.

Key components in the framework

There are three components in the Economic Development Framework- *why*, *what*, and *how*.

Why: Economic Development Success Criteria

Stakeholders have agreed on a set of Economic Development Success Criteria. These explain, in plain language, why economic development matters to individuals, businesses and communities in the Eastern Bay of Plenty.

What: Development Focus Areas

Three focus areas have been identified – one per district. The intent is to accelerate regional economic development by leveraging the unique strengths of each district.

How: Cross-cutting constraints to growth

Four cross-cutting constraints are currently acting as a 'handbrake' on economic growth in the Eastern Bay. The intent is to address these constraints via coordinated, collective action.

The resulting Regional Economic Development Strategy is the result of six months of economic analysis and extensive engagement with industry, iwi and other key stakeholders.

Deciding what matters

Stakeholders decided on the Development Focus Areas and the cross-cutting constraints to growth, by considering:

- **Economic impact:** Current and projected contribution to regional GDP, employment, and economic resilience.
- **Alignment:** Level of strategic alignment with the national economic direction, regional priorities, and the region's competitive positioning for future.
- **Impact:** Potential for public or private interventions to make a positive impact on the region.

1) Purpose & Vision

Purpose

The purpose of this strategy is to unlock resilient economic development for the Eastern Bay of Plenty.

The Eastern Bay is striving for economic, social, environmental, and cultural wellbeing.

Economic growth for its own sake means little—but economic development can be a powerful lever for delivering social, cultural and environmental wellbeing. For instance:

- As household incomes rise, families can enjoy increased access to high-quality housing, healthcare and education. People's horizons expand.
- As communities enjoy economic stability, there's a rise in social trust and cohesion.
- When there is more money to go around, there's more capacity and willingness to invest in cultural initiatives – such as preserving heritage sites or promoting cultural activities.
- When the local economy is robust, businesses and communities can make more choices that foster long-term sustainability, generating returns beyond just the financial.

In short, economic growth unlocks other forms of wellbeing. It's a logical starting point.

Vision for 2050

By 2050, the Eastern Bay of Plenty is a highly productive and prosperous sub-region, and recognised as one of New Zealand's centres of green energy. The region is an attractive place to visit, work and live, with flourishing communities and thriving natural and built environments.

Robust housing, transport infrastructure, and a talented workforce maximises the region's potential, creating a vibrant and inclusive economy. The sub-region is home to nationally and internationally competitive industries, underpinned by a strong bi-cultural foundation and partnership with mana whenua, honouring the area's cultural heritage.

Resilient roading infrastructure ensures seamless connectivity, enabling residents to live and work throughout the sub-region. Strategic land developments and energy resilience help to mitigate the impact of extreme weather events and rising sea levels, safeguarding the region's future. The diversified economy thrives with surge sectors such as aquaculture, green industry, and primary industries, all contributing to a circular economy and reinvesting in the sub-region.

Sustainable development is at the heart of the Eastern Bay's growth, with proportional expansion of housing and supporting infrastructure, ensuring readiness for current and future needs. The Eastern Bay's purpose for enabling economic prosperity was to empower social, environmental, and cultural wellbeing for all communities, creating a prosperous and sustainable future for generations to come. Resilient economic development has been unlocked for the Eastern Bay of Plenty.

Note: 2050 was selected as the target time horizon to embed a long-term strategic economic direction for the Eastern Bay, in line with the Spatial Plan's time frame. Aligning with the Spatial Plan ensures that economic and community development are aligned, factoring in population growth and infrastructure needs for the next generation. The constraints to economic growth—housing, transport and connectivity, workforce development, and capital—are long-term challenges that require sustained effort to alleviate. A longer timeframe means we can implement change while allowing economic benefits to emerge progressively across the sub-region in both the medium and long term. This approach balances urgency with the persistence needed to create a resilient, thriving economy for the Eastern Bay.

2) Economic Development Success Criteria

Successful economic development in the Eastern Bay should deliver the following results:

- **Prosperity:** Fostering sustained prosperity and social uplift, supporting long-term community wellbeing through increased GDP and sustainable high-value employment. In other words, people are in valuable and well-paid jobs, for the longer term, and this contributes to a lift in GDP and in living standards.
- **Resilience:** Supporting the region's capacity to anticipate, prepare for, respond to, and recover from economic challenges – whatever the root cause – while fostering long-term prosperity, sustainability, and community wellbeing.
- **Regional competitiveness:** Favouring ambitious projects which have the potential to be regionally transformative, and that harness local advantages and innovation to build regional economic specialisations and competitiveness.
- **Strategic alignment:** Alignment between economic development objectives, priorities and outcomes across players in the sub-region (e.g. councils, iwi, and businesses) and in the wider environment (regionally, nationally, globally).
- **Mahi Tahi:** Regional actors respond collectively to shared opportunities and constraints, where independent efforts are insufficient, the cost of doing nothing is high, and benefits are shared across the sub-region.

3) Development Focus Areas

The Economic Development strategy identifies three Development Focus Areas, which align with the three District Councils of Ōpōtiki, Kawerau and Whakatāne.

Focus areas were selected by considering geographic advantages and existing industry specialisations. This is a strengths-based approach of building on and extending what is already working, to generate more high-quality jobs and boost economic performance. While specific types of growth have naturally concentrated in particular districts, their economic benefits extend across the entire Eastern Bay of Plenty. Strengthening key industries in Ōpōtiki and Kawerau, for example, reinforces Whakatāne's role as the sub-region's commercial and residential hub, creating a more interconnected and resilient economy. The subregion may also enjoy common advantages (location, brand) and constraints (for example, housing or workforce issues) that merit sub-regional coordination.

Focus areas typically have the following characteristics:

- High-value, high-employment, high-growth sectors
- With competitive and/or locational advantages
- Considered both nationally and internationally competitive
- Aligned with the development aspirations of iwi
- Strategically significant for the local, regional and national economic landscape
- Operating in a genuinely sustainable way – i.e. walking the 'clean green' talk

The three key Development Focus Areas are described on the following pages.



Ōpōtiki: Aquaculture centre of national significance

Vision

By 2050, Ōpōtiki will become New Zealand's leading aquaculture centre, and a key player in international markets. The district boasts extensive, fully operational sea farms for green-lipped mussels and other species. The aquaculture industry is well serviced across the value chain, with an extensive shipping fleet, harbour infrastructure, onshore processing facilities, research facilities, and an efficient, well-integrated transport network that allows businesses to rapidly access regional, national and international markets.

Satellite industries have developed around aquaculture, including education and training services that build workforce capability.

Sustainability has been a key consideration in development – meaning primary industries, including horticulture and agriculture, are now more climate resilient, and new housing developments are further inland and uphill to achieve managed retreat whilst attracting and housing talent.

Local communities are enjoying economic growth, environmental sustainability, and more holistic wellbeing.

Opportunity

Ōpōtiki could develop a multi-billion-dollar aquaculture industry, starting with extensive offshore farming of green-lipped mussels and diversifying into other fish and shellfish species. The industry can leverage the \$200m+ of investments that have been made to date, including the recently launched Ōpōtiki harbour entrance and onshore processing facilities. The region has an opportunity to dominate the end-to-end supply chain, covering the growth, processing and export of aquaculture products to both domestic and international markets.

Reasoning

- Ōpōtiki has existing aquaculture assets that can be leveraged – offshore marine farms, hatchery facilities, the new harbour access, and onshore processing.
- Land is available for associated facilities – e.g. a marina and a wharf.
- Aquaculture is a growth industry, with an expected compound average growth rate in the international mussel market of 5% from 2024 to 2034 and a distinct market for mussel oil and powder as dietary supplements.^{14,15}

¹⁴ Future Market Insights. (2024). Mussel Market Outlook from 2024 to 2034. Retrieved from <https://www.futuremarketinsights.com/reports/mussels-market>

¹⁵ Future Market Insights. (circa 2022). Mussel Oils Market Snapshot (2022 to 2032). Retrieved from <https://www.futuremarketinsights.com/reports/mussel-oils-market>

- Aquaculture is highly sustainable – as green lipped mussels do not require additives or fertilisers; improve water quality;¹⁶ boost biodiversity;¹⁷ and generate a smaller carbon footprint than other forms of farmed protein.¹⁸
- Recent Te Tiriti settlements enable large-scale farming in the open ocean. Iwi are ready to lead, bringing ambitious plans and strong strategic and commercial leadership.
- Aquaculture has had strong support from previous governments and is a stated focus area for the current government.
- There is proximity between the existing workforce, marine farms and processing facilities, with additional land available and zoned for residential housing.

Potential benefits

\$2-3 billion revenue

potential, from proposed 28k hectares of planned seawater space

2000 – 3000 jobs

in industry and supporting local services

Reference: *PWC Aquaculture report for Te Whānau-ā-Apanui, Te Ara Moana a Toi | a path to the sea, Te Ara Moana a Toi | Initial Benefits Assessment*

Mussel farming has the smallest carbon footprint of all animal proteins

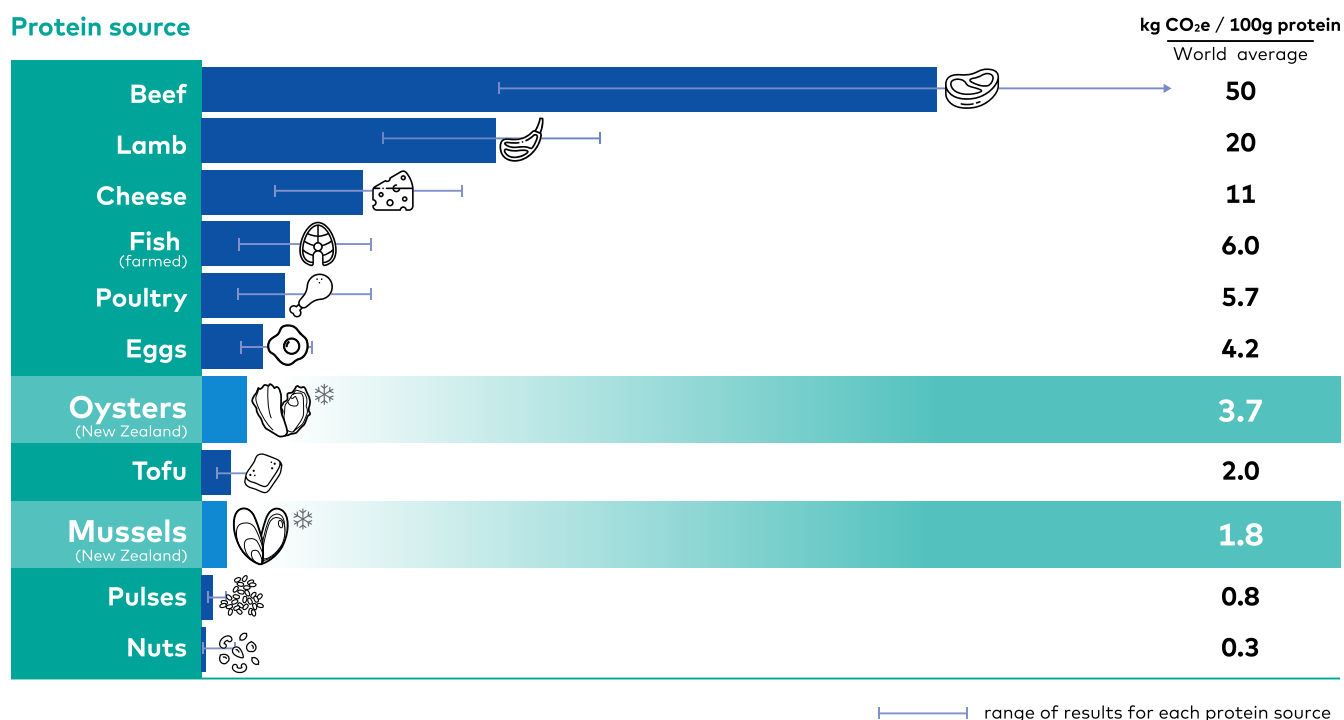


Figure 1: Carbon footprints of different dietary proteins on the global market – farming to retail only ‡

¹⁶ MacLab (nd). Sustainability. Retrieved from <https://www.maclab.co.nz/sustainability/#:~:text=Mussels%20are%20highly%20self%2Dsufficient,health%20of%20the%20marine%20ecosystem.>

¹⁷ University of Auckland (2024, May 28). Seaweed and mussel farming can boost wild fish populations. Retrieved from <https://www.auckland.ac.nz/en/news/2024/05/28/seaweed-and-mussel-farming-increases-wild-fish-populations-.html>

¹⁸ ThinkStep (2021). Life Cycle Assessment of New Zealand Mussels and Oysters: Prepared for Aquaculture New Zealand & Ministry for Primary Industries. Retrieved from <https://www.mpi.govt.nz/dmsdocument/48526-Life-Cycle-Assessment-of-NZ-Mussels-and-Oysters#:~:text=The%20carbon%20footprint%20of%20New%20Zealand%20mussels%20and%20oysters&text=For%20a%20kilogram%20of%20shellfish,CO2e%20per%20kg%20shellfish%20meat.>



Kawerau: Green industrial and energy hub

Vision

By 2050, Kawerau has transformed into a thriving hub of green technology and industrial innovation. Industrial sites have expanded and are fully utilised, attracting a diverse ecosystem of businesses that foster each other's success.

Industrial growth is powered by sustainable and renewable resources, including forestry, geothermal power and hydrogen. Abundant energy resources are symbiotic to a thriving forestry and wood processing sector. Local manufacturers are leading the way in green industrial technology- developing products, services and processes that have a high financial value and a low environmental impact. The district enjoys state-of-the-art logistics infrastructure, with robust warehousing, distribution, road/ rail/shipping links, and supporting information systems, all of which reinforce Kawerau's status as a premier hub for engineering and manufacturing.

Safe, climate-resilient residential and commercial developments have flourished, attracting skilled workers and fostering a vibrant community. Kawerau stands as a model of sustainable development and industrial prosperity, contributing significantly to the environmental, economic and social wellbeing of the Eastern Bay of Plenty.

Opportunity

Kawerau has an opportunity to become a premier green industrial hub, harnessing sustainable energy for use in innovative, tech-led manufacturing. The district has an established geothermal plant, deep strengths in forestry, and a new industrial park that could all be leveraged to foster innovative, sustainable and high-value industry.

Reasoning

- Kawerau specialises in forestry and wood processing and would anchor the hub, with proximity to the largest forestry plantation in New Zealand and deep local expertise. There is scope for high-value innovation in the forestry sector, with Kawerau being a natural testbed for industry-led innovation.
- The district has extensive energy resources and infrastructure, including the 100 mega-watt Kawerau Power Station which is New Zealand's largest generator of geothermal power.¹⁹
- Geothermal energy generation is a symbiotic sector that supports the wood sector's expansion and transition toward value-added, greener lumber products. Potential exists for expansion into bioenergy and biogas, and the use of geothermal process heat to support other sectors – such as horticulture.
- The focus on green energy aligns with national sustainability commitments and Māori aspirations for sustainable industry.
- The Kawerau Putauaki Industrial Development is operational, and ROI will be generated by attracting more tenants and complementary industrial players.
- Land is available and already zoned for various industries.

More detailed modelling is required

Detailed modelling is required to understand the pathway to full industrial capacity and infrastructure utilisation.

This includes:

- Modelling the infrastructure needed to service the Kawerau Putauaki Industrial Development, including transportation requirements and three water services (drinking, storm and wastewater).
- Modelling green energy generation, and distribution capacity.
- Once complete, the planned rail network and container terminal will serve as the Eastern Bay's gateway for freight to the Golden Triangle (of Auckland, Hamilton and Tauranga).
- Industrial Symbiosis Kawerau already brings together local businesses committed to collaboration and sustainable growth; this network will continue to enhance local advantages and maximise development opportunities.

¹⁹ LFF Group (2018). Kawerau Powerstation Geothermal Pipeline. Retrieved from <https://www.lffgroup.com/projects/geothermal/kawerau-power-station-geothermal-pipeline>



Whakatāne: The Eastern Bay's commercial and residential heart

Vision

By 2050, Whakatāne district has strengthened its established position as the commercial, retail and residential heart of the Eastern Bay of Plenty. Whakatāne's service sector supports local and regional industrial pillars, including agriculture, aquaculture, manufacturing, construction, boat building and green energy. Tertiary education and training providers underpin a skilled and capable workforce which meets the labour needs of the Eastern Bay's diversified economy. Whakatāne also serves as the tourism hotspot of the Eastern Bay, drawing in visitors and facilitating connections to the growth and trade of the 'Golden Triangle' – Auckland, Hamilton and Tauranga.

The town centre is vibrant- with hospitality, retail, and amenities that draw in locals, tourists and new talent, all via efficient transport links that enhance connectivity throughout the Bay of Plenty and beyond. Sustainable housing construction is fuelled by population growth within the district. Whakatāne's strong partnership with mana whenua also fosters a culturally rich and inclusive community.

Whakatāne District will have prioritised strategic and sustainable development that has reduced exposure to climate change, and promoted growth in the district's network of townships. The district capitalises on its natural advantages to generate surplus green energy, reinforcing the Eastern Bay's position as one of New Zealand's leading green energy hubs.

Whakatāne is also a manufacturing centre in its own right, with two leading boatbuilders, the large Whakatāne Mills, and a range of up and downstream manufacturing and service businesses.

Whakatāne creates cross-regional value, accelerating growth and development across the whole Eastern Bay, and reaping the rewards.

Opportunity

Whakatāne can strengthen its position as the commercial and residential heart of the Eastern Bay- attracting people to live, work and play in the district. The centre would combine core services, like medical facilities and social support to foster health and wellbeing; professional services like legal, accounting and IT, to support business success; workforce development via education and training providers; and hospitality, placemaking and tourism ventures, to enhance liveability. As the EBOP's most diversified local economy, Whakatāne is positioned to advance and benefit from industrial development across the Eastern Bay.

Reasoning

- This strategic pivot aligns with the strengths of Whakatāne district, as the largest, most diversified and advanced economy in the sub-region.
- There is alignment with the needs of local businesses and those across the Eastern Bay – who seek a skilled workforce and a robust network of service providers and associated industry players.
- This focus converts regional constraints around housing, workforce and transport into a strategic vision for the district – as a well-connected and growing commercial and residential centre for the sub-region.
- Being the Eastern Bay's centre for workforce development capitalises on existing strengths in tertiary education.
- The pivot is necessary, as a tourism-only strategy cannot be relied upon to drive development following the Whakaari eruption and the consequent decline in visitor numbers.
- There is alignment with the Spatial Plan and potential development options, and alignment with adaptation activities (e.g. boosting flood resilience in the CBD and supporting managed retreat).
- There is alignment with the development priorities of local iwi, who are focused on economic, educational, and cultural revitalisation across Whakatāne.

4) Cross-cutting constraints to address

The Eastern Bay needs to address four cross-cutting constraints to achieve economic development in the medium- and long-term: housing, workforce, transport and connectivity, and access to capital.

The three districts of the Eastern Bay share productive resources – like labour and energy, business and industry, roading and communication infrastructure.

The districts also share the same constraints, which act as a handbrake on economic development.

To unlock economic development in the medium- and long-term, the Eastern Bay of Plenty will need to address four cross-cutting constraints: housing, workforce, transport and connectivity, and capital.

Focussed and coordinated action will be required.

Housing

There is a lack of affordable, adequate housing in places where locals and newcomers wish to settle. This makes it harder to attract and retain new talent from outside the region, and it limits local relocation, meaning talent becomes less mobile and businesses find it harder to recruit the personnel they need.

The situation

The Eastern Bay has a lack of affordable, adequate housing in places where locals and newcomers wish to settle.

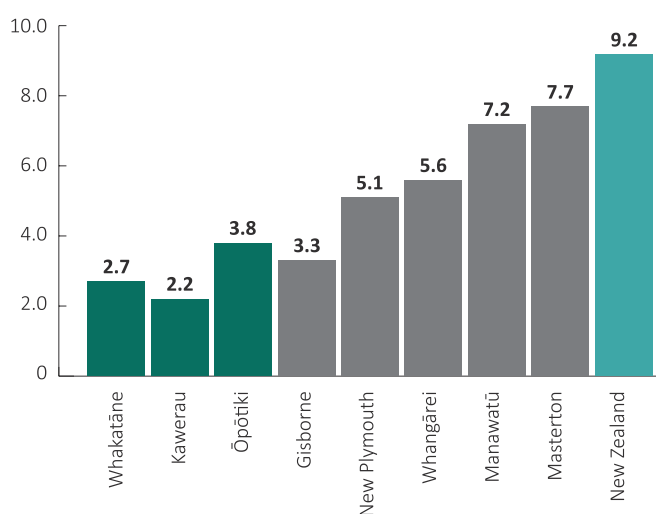
There are two key driving forces.

First, there's an acute housing shortage in the Eastern Bay. Building consents are lower than in any other region of New Zealand, with an average of 2.9 dwellings consented per 1000 residents, versus a national average of 9.2 / 1000.²⁰ By one estimate, the Eastern Bay will need 4,430 more homes built across 316ha of land, by 2053.²¹

Second, houses in the Eastern Bay are relatively unaffordable, when compared to local incomes. The Eastern Bay has the highest housing cost-to-income ratio in the country, with the average household allocating 18.8% of their income towards housing versus a national average of 16.9%.²² The primary issue is low household income, rather than excessive housing costs.

Per MR Cagney's research for the Spatial Plan, the Eastern Bay's population will continue growing beyond 2050. In order to house existing, returning, and new residents, the current housing shortage will need to be addressed, and new developments will need to keep pace with population growth. Coordinated and concerted efforts will be required from councils, businesses, iwi and central agencies.

The Eastern Bay of Plenty has a low rate of housing consents, relative to other regions



(Source: Statistics NZ, 2023)

Interlinked impacts

The lack of affordable, adequate housing makes it harder to attract and retain new talent in the sub-region, and it limits the movement of people *within* the region. For instance, locals may spot a job opportunity in a neighbouring district, but be unable to find decent housing near the new place of work. They may be reluctant to commute due to connectivity challenges across the sub-region (described below), meaning they stay in their current role and home.

²⁰ Statistics NZ (2023). Infoshare. Retrieved from <https://infoshare.stats.govt.nz/default.aspx>

²¹ MRCagney NZ Ltd (2023) Eastern Bay of Plenty Housing and Business Needs Research: Prepared for Whakatāne District Council.

²² Statistics NZ (2023). Infoshare. Retrieved from <https://infoshare.stats.govt.nz/default.aspx>

The risk of not addressing these constraints is that talent becomes less mobile, and businesses find it harder to recruit the personnel they need to foster economic growth. Growing the local construction workforce will be key to meeting current and future housing demand.

What good looks like

- Success statement: (Enabling and optimising for) The right housing number, mix, and locations to enable prosperity and liveability
- Indicative objectives:
 - > Housing numbers, mix, and locations matched to current and future population needs
 - > Community liveability

Transport and connectivity

There are connectivity constraints within and around the Eastern Bay. Poor-quality roads, capacity limitations, and over-reliance on road networks for freight all contribute to congestion, lower productivity and higher business costs.

The situation

A flourishing economy relies on good transport networks and connectivity, to allow for the free movement of workers and goods.

At present there is inadequate connectivity *within* the Eastern Bay of Plenty. Poor-quality roads lead to increased travel times, along with higher vehicle maintenance costs, and decreased safety for travellers. Road reliance for freight is creating demand for alternative modes, such as rail from Kawerau and coastal shipping from Ōpōtiki.

There is also inadequate connectivity *between* the Eastern Bay and other regions:

- The roading network has limited capacity, creating congestion at key pressure points on State Highway 35, State Highway 2, and on certain bridges. Resilience is also limited, with frequent slips and flooding.
- Speed limit reductions have been introduced on some highways, such as SH30 from Rotorua to Whakatāne, increasing commute times for workers into the Eastern Bay, and making it less likely that people will seek or continue employment in the sub-region.
- Key parts of the roading network carry most imports to and exports from the region, which adds to congestion and accelerates the degradation of local roads.

The Eastern Bay is a key transport link between Gisborne (Ōpōtiki), Tauranga (Whakatāne/Kawerau), and the Waikato. Improving connectivity within the sub-region and to surrounding regions would improve the flow of goods, services, and people to and from the Eastern Bay.

Interlinked impacts

As a result of the factors above, individual workers face more congestion, longer commutes, and lower productivity. They are also discouraged from working and living in separate places.

Businesses face more congestion, higher freight costs, and a diminished ability to attract talent from across the sub-region. Businesses are also over-reliant on the roading network due to lack of sea-freight capacity, and the local economy lacks resilience if roads are closed for standard repair or damaged following an extreme weather event.

More generally, reliance on key roads compromises the emergency response during extreme weather events – especially for isolated communities that lack alternative transport routes.

What good looks like

- Success statement: Comprehensive, resilient transport network that improves connectivity within the region and between the regions
- Indicative objectives:
 - > Intra-regional connectivity (one region)
 - > Inter-regional connectivity (plugged in)
 - > Resilient networks (sustainable)



Workforce

The labour shortages faced across many sectors in the EBOP, coupled with an ageing population, makes workforce a key constraint. There is misalignment between the local labour force and the roles available, meaning businesses have trouble sourcing the talent they need, and locals are hampered in their employment and career development. More attention is needed to both early-stage work readiness and the development of long-term, sustainable local career paths. Current workforce interventions are sporadic and disjointed across the Eastern Bay.

The situation

There is currently a mismatch between the jobs available in the Eastern Bay and the local labour force. Employers have high-quality roles on offer, for instance, Factory Engineer or IT lead roles in aquaculture, but they cannot attract the talent they need. Similarly, locals cannot find suitable roles or appealing career pathways. As a result, labour force participation rates are relatively low and unemployment rates are high, along with social service costs.

The risk of brain drain is ongoing as young people seek opportunities in larger centres. From a capital investment perspective, retaining and attracting businesses is an important part of delivering better employment outcomes.

Interlinked impacts

Businesses struggle to import talent and fill key roles, and this is exacerbated by the lack of quality housing on offer, and by connectivity issues which deter commuting. The cost of doing business goes up, and without essential staff, productivity drops.

Locals who cannot find a suitable role, career, or training pathway do not fulfil their full potential, and at scale, this hinders economic growth and collective wellbeing.

What good looks like

- Success statement: (Fostering an) engaged, skilled local workforce aligned with current and future industry needs
- Indicative objectives:
 - > Workforce engagement
 - > Skills development and matching
 - > Career pathways, attraction and retention



Capital

It has been persistently challenging for the Eastern Bay of Plenty to attract private capital to support industrial growth and broader economic development. While public funding would help to address the cross-cutting constraints related to housing, transport and the workforce, unlocking private capital sources is essential. New mechanisms for attracting investment are required, to help mobilise businesses both large and small, accelerate business development and achieve shared regional goals.

The situation

Despite securing significant investment through the Provincial Growth Fund, the region has struggled to attract sustained private capital for large-scale, high-impact projects. As a result, key initiatives are often delayed, scaled down, or remain unrealised—limiting their potential economic returns. Small- and medium-sized businesses can also struggle to attract capital, due to their size and distance from large markets.

Given the size of the domestic investment pool, foreign investment will likely be a necessary complement to local initiatives. Economic development agencies, industry collectives, and business networks should work together to facilitate investment, taking advantage of more pro-investment policy settings.

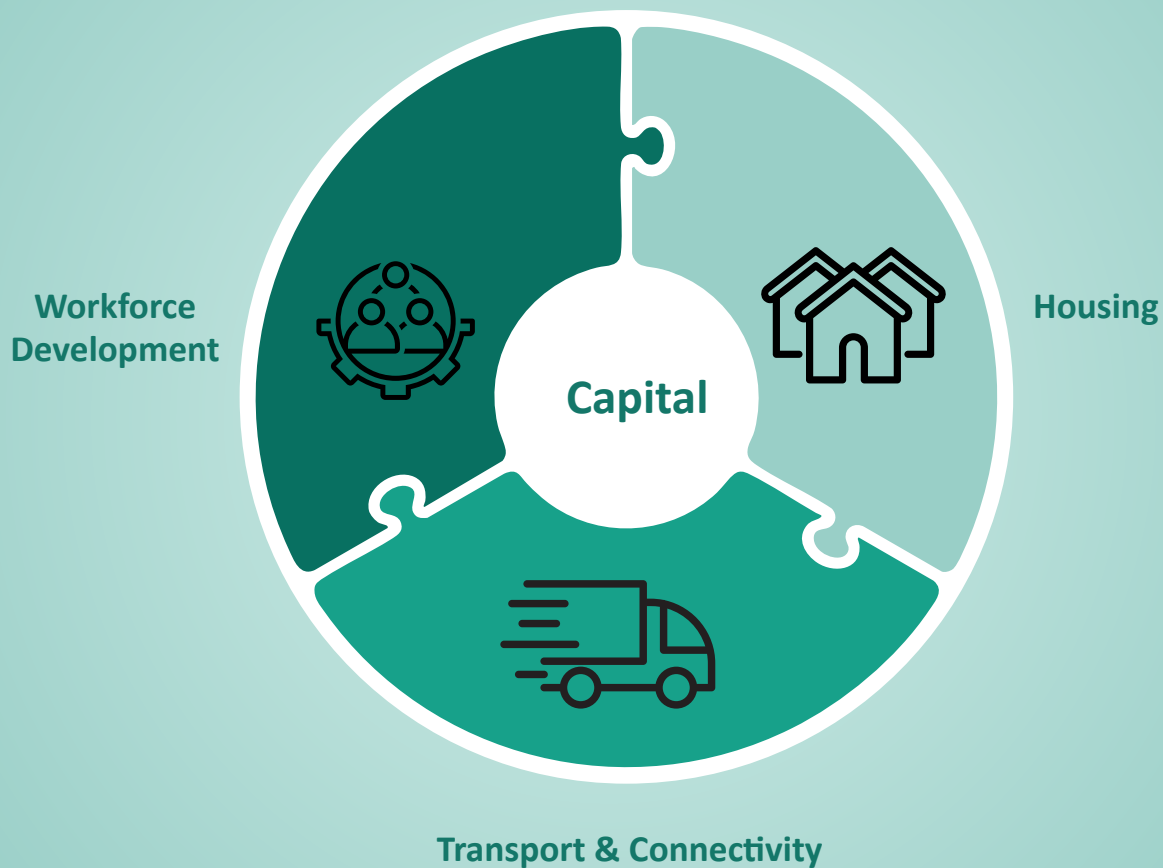
Interlinked impacts

Access to public co-funding will help to address the other cross-cutting constraints, by supporting major housing developments, improving transport connectivity, and contributing to education and skills training in the sub-region.

Access to private capital will accelerate industrial and economic growth, in the three development focus areas of aquaculture in Ōpōtiki, green industry in Kawerau, and the commercial and residential heart in Whakatāne, as well as other key and emerging sectors. Investment, both domestically and abroad, would provide the growth capital to develop key sectors across the Eastern Bay and strengthen the region's economic resilience.

What good looks like

- Success statement: Private industry can elevate to the next level of size and scale, supported by enabling public initiatives.



Addressing the cross-cutting constraints

A phased, regional approach is required

It's clear that the sub-regional constraints are interrelated and interdependent, which means sequenced and coordinated action will be required to alleviate the issues. The recommended pathway is to enable housing and transport connectivity, which will support workforce capacity and skills development in turn - setting off a positive feedback loop. Capital serves as a central enabler.

- **Housing.** Developing the housing stock will be key to resolving the other constraints and unlocking regional economic development.
 - > When there are suitable houses available, talent can more readily move into and around the sub-region, relieving the workforce development challenges.
 - > When houses are built where people want to live and work, pressure on the transport networks is eased.
 - > Given the lead times for consent and construction, housing must be the first cab off the rank.
- **Transport and connectivity.** The next logical focus is improving connectivity across the sub-region, to enable a freer flow of people and goods.
 - > With more housing in the right place, pressure on transport networks should ease. Equally, improved transport links can enable new housing developments to be built.
 - > Better transport networks will support the free movement of workers, so the sub-regional labour market becomes more flexible, businesses find the talent they need, operating costs go down, and productivity goes up.



- > Better connectivity will allow a freer flow of goods, again lowering business costs.
- > A more resilient, multi-modal transport network can better withstand external shocks, such as road closures for maintenance or repair following extreme weather events.
- **Workforce Development.** Growth in the three focus areas – of aquaculture in Ōpōtiki, green industry in Kawerau, and commercial services in Whakatāne – will hinge on the capability and capacity of the workforce.
 - > Much of the necessary talent already resides in the Eastern Bay. The key is to train and retain locals through fit-for-purpose education and training programmes, supplemented by high-quality housing and community liveability.
 - > Attracting outside talent will be easier after improvements to housing and transport links.
 - > Additionally, it will be important to develop the local trades, to support housing developments and construction of roading and rail links, and to maintain other key regional infrastructure.
- **Capital.** Access to capital will help to accelerate progress in the three development focus areas, and address the cross-cutting constraints that have hindered economic development.
 - > Private capital is critical for the next level of industry development in Ōpōtiki, Kawerau and Whakatāne. Attracting private capital is not just a means to an end—it is a strategic capability, requiring targeted expertise, strong networks, and a proactive approach to positioning the region as an attractive investment destination.
 - > Potential avenues for attracting private capital include:
 - Targeted investor outreach via the Eastern Bay Chamber of Commerce and regional business networks.
 - Leveraging international partnerships, including sister-city relationships and trade missions.
 - Facilitating business-to-business investment, particularly in sectors with strong export potential.
 - > Public co-funding is critical for initiatives that address housing, transport and connectivity, and workforce development constraints.

Implementing this strategy

Once this strategy is formally adopted, cross-cutting constraints should be addressed at the sub-regional level, aligning with the Spatial Plan. Districts can prepare localised plans around aquaculture in Ōpōtiki, green industry in Kawerau, and Whakatāne as the Eastern Bay's commercial and residential heart, working in collaboration with local iwi and industry. The sub-region should also focus on a shared application to the Regional Infrastructure Fund, working at pace.

Guiding principles

This strategy represents six months of input and effort from Councils, iwi, business leaders, consultants and more. But in many ways, it is only a starting point, and it is now time to convert strategic intentions into reality.

The following principles should be kept top-of-mind during implementation:

- **Coordinate and collaborate.** Action should be aligned and coordinated- with existing streams of activity, and across the three districts. The constraints are cross-regional, and cross-regional effort will be critical to the success of this strategy. Aligning relevant council regulations between districts could be valuable to attract and retain businesses that operate across districts.
- **Give sufficient focus to each development area and constraint.** The strategy sets out three development focus areas and four cross-cutting constraints. Each will need sufficient attention, because there are already multiple moving parts and many actors, and complexity will increase during implementation.
- **Ensure business and iwi leaders are heard.** Business and iwi leaders know their own businesses best, understand how the current constraints are holding them back, generally welcome systemic engagement from local government, and are well-placed to access capital and drive development. It makes sense to leverage the expertise and capital that these players can bring.
- **Foster transparency and accountability.** Best-practice project management principles should be followed. This includes establishing clear structures and processes to track and report on projects; communicating frequently and proactively with key stakeholders; and remaining accountable for results.

Key next steps

The recommended steps are:

- 1) Formally adopt this regional economic development strategy,** at the district and sub-regional levels.
- 2) Create district-level Economic Development strategies that build on this document, working in collaboration with local iwi and industry.** The district-level strategies should seek to strengthen place-based advantages, and progress local objectives. Working groups could be responsible for strategy development and accountable for implementation.
- 3) Address cross-cutting constraints at the sub-regional level.**

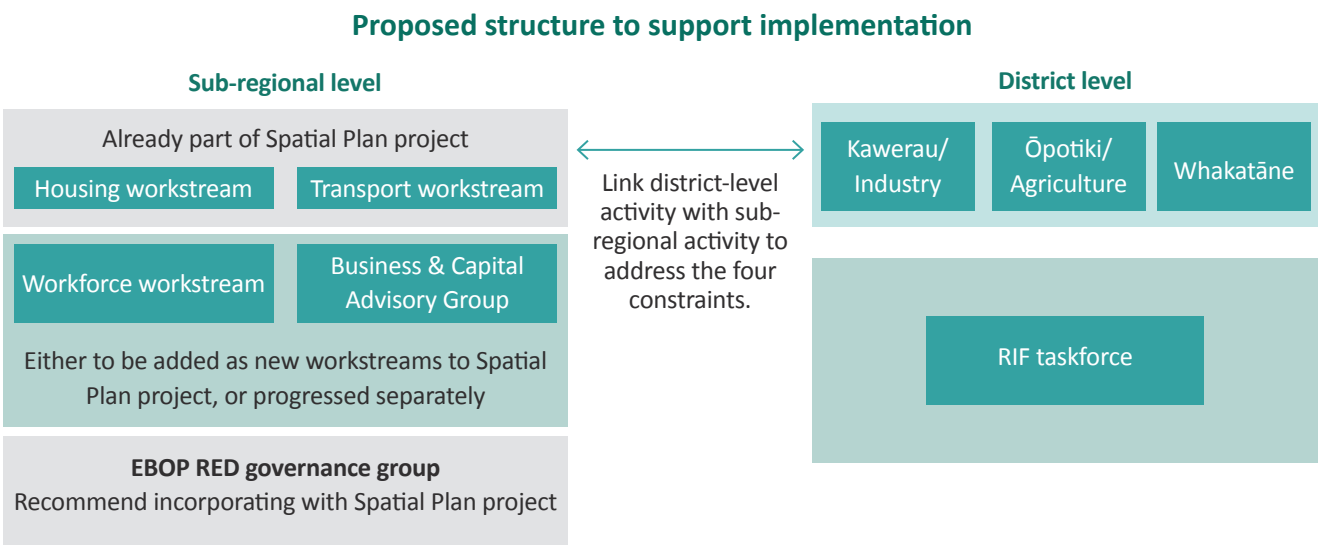
The **Eastern Bay Spatial Plan** project already includes a focus on **Housing**, and **Transport and Connectivity**, which are two of the cross-cutting constraints. It makes sense to integrate follow-up in these areas with the existing governance and project management processes of the Regional Spatial plan Project.

However, the Spatial Plan has little focus on Business / Capital, and it is silent on Workforce Development. Therefore:

- For the Capital constraint: Establish a Business and Capital Advisory Group within the spatial planning 'Friends of Our Places' Framework, including large operators such as Fonterra, Zespri, Eastern Sea Farms, Sequel Lumber, Oji Fibre Solutions, Contact Energy, and Whakatāne Mill Limited.
- For the Workforce Development constraint: Create a separate workforce development workstream within spatial planning, best led by Toi EDA who can coordinate between public and private organisations in the Eastern Bay.
- Governance: Incorporate governance group from the Economic Development Strategy refresh into the Spatial Plan project.

- 4) Develop a region-wide application for the Regional Infrastructure Fund, working at pace.** This may include establishment of a new Project Management Office for regionally aligned applications.

The Eastern Bay Councils have elected to lead the implementation of this strategy in-house. As a result, detailed target outputs and success measures will be developed as part of their ongoing implementation planning. The project team has provided a full document handover to support this process, with regular report-backs expected from working groups across the three councils.



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Appendix 1:

How this strategy was developed

Polis Consulting Group were tasked with refreshing the Eastern Bay of Plenty's Economic Development Strategy, to align the Bay's priorities with the changing national context.

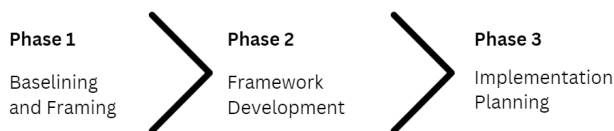
There were three goals for the refresh.

First, to put the best foot forward with the National-led coalition government, to maximise the Eastern Bay's chances of securing central funding and support. This included seeking a slice of the new \$1.2 billion Regional Infrastructure Fund, or securing a longer-term Regional Deal.

Second, to establish an evidence-based, collectively agreed upon framework for economic development. A framework that could be used to enhance collaboration across the region, and to attract both public- and private-sector funding.

Third, to support the longer-term implementation of the strategy, by embedding the necessary skills, tools and knowledge in the region.

The project spanned six months and proceeded in three phases: baselining, developing an Economic Development framework, and implementation planning.



Phase 1: Baselining and Framing

This phase involved:

- Data gathering and analysis, to understand how the Eastern Bay's economy, labour market and population demographics were likely to change over time.
- Clarifying key priorities at the sub-regional level, now and in future.

- Agreeing on success criteria for economic development in the Eastern Bay.
- Developing a long-list of potential projects that require funding and support – to be prioritised in phase two.

Phase 2: Framework Development

This phase involved:

- Creating a consolidated economic development framework – aligning the focus across the Whakatāne, Kawerau and Ōpōtiki districts, and specifying what needs to change and why.
- Refining the draft framework with industry.
- Prioritising key projects, using the dual lenses of (i) ability to deliver on the success criteria and (ii) likelihood of receiving funding, including via the Regional Infrastructure Fund.

Phase 3: Implementation Planning

This phase involved:

- Providing District Councils and other local partners with a high-level approach to strategy implementation, and clear next steps.
- After the criteria for the Regional Infrastructure Fund were announced: (i) planning for Regional Deals and (ii) developing a narrative to accompany this Regional Economic Development strategy.
- Determining the immediate next steps for this Regional Economic Development strategy and for the Regional Deals. Committing to coordinated processes and concrete actions.

Appendix 2:

Stakeholder roles in implementation

Regional stakeholders have different levers to pull, and different roles to play in the implementation of this strategy. The following table outlines the key stakeholder groups and their core roles.

Stakeholder roles in implementation: A guide

Regional stakeholders have different levers to pull and roles to play in the implementation of the economic development framework

Role	Toi	Councils	Iwi	Business	Central government
Advocacy	- Promotional activities - Coordination between Councils on relevant activities	- Lobbying government - Promotional activities - Bringing urgency	Lobbying government including where it makes sense to do in tandem with councils and/or industry	Lobbying government including where it makes sense to do so	N/A
Facilitation & Coordination	- Contributing and leading in some cross-org groups - Alignment across groups and workstreams	- Leading cross org groups - Long term planning for clarity and certainty - Alignment across groups	Key contributors to cross-organisational groups and long-term planning	Key contributors to cross-organisational groups and long-term planning	Brokering international trade arrangements for EBOP exports
Enabling	Public/private interface: influencing and connecting	- Funding and building infrastructure - Zoning laws - Regulatory support - Consents	Potential for support through consenting processes	Driving demand and supply related to workforce, housing, and transport	Laws and regulatory changes to resolve constraints at pace and scale
Driving Development	N/A	Potential for limited 'driving' activities, but development is primarily driven by business (including iwi businesses)	- Funding and building houses - Progressing individual workforce, social and commercial initiatives	- Funding and building houses - Growing businesses - Employing people	Funding
	Key facilitator, ensuring alignment	Coordinate, facilitate and enable others' ambitions	Key driver of development	Key driver of development	Provide enabling regulatory and funding settings

- **Councils** Councils play a critical enabling role that comprises planning, regulation, consents and zoning. They also have a coordination role to facilitate engagement between themselves, businesses, and Māori partners. This is key to strategic alignment between stakeholders.
- **Businesses**, as employers and industry participants, play a critical role in both developing economic development strategies, and implementing those strategies in the Eastern Bay. This includes small, medium, and large businesses. Organised advocacy and engagement on an organisational and/or industry level is valuable to coordinate initiatives that further the Eastern Bay's development.
- **Iwi, hapū, businesses, trusts, and Māori landowners** are all key players in the development of the Eastern Bay's economy. Mana whenua partners embed knowledge, identity, capital, and innovation in the sub-region, and are critical to achieving a shared vision.
- **Economic Development Agencies** such as Toi EDA play a vital coordinating role in advocating for focus target groups within regional economies. They are a valuable proxy-stakeholder between businesses, iwi, and councils.

Ngā Mihi

