

# TOWARDS A TERMS OF REFERENCE FOR THE INWARD INVESTMENT STRATEGY OVERSIGHT GROUP

**A2008811**

## Background

The Inward Investment Strategy Oversight Group (IISOG) was established by resolution at the 7 December 2017 Council meeting. The Council resolved the composition of IISOG be the Mayor, Deputy Mayor McInnes, Councillor Macauley, Councillor Vujcich, CEO FNDC, and CEO Far North Holdings Ltd.

The paper to the Council (**Attachment 1**) outlined the key responsibilities of IISOG are:

- Build relationships with interested parties
- New groups/approaching new investors (includes due diligence)
- Delegate to Support Team
- Oversee product portfolio
- Linking political systems

The paper also outlined the following roles for the IISOG:

*All enquiries/visits from Chinese groups either at a political level or interested in investing in the Far North District will be managed through the Oversight Group.*

*The Oversight Group will decide the appropriate response, including appropriate staff, and provide high-level, strategic advice to staff and Elected Members. The oversight Group will be responsible for maintaining relationship with the Chinese Government but will ensure other Elected Members are part of the relationship (such as Sister City).*

*The Oversight Group will be responsible for ensuring the development of a portfolio of investment opportunities including identifying key companies who have potential and desire for expansion as well as new initiatives.*

This paper outlines the steps to transform the strategic intent of the Council paper into a clear Terms of Reference for IISOG.

## Approaches to Inward Investment Facilitation

There are five broad ways councils and local economic development agencies facilitate inward investment:

Opportunity identification	Scanning for opportunities and then making the connection between local companies and overseas investors
Investment readiness	Working with local businesses and organisations on business plans and prospectuses to be investment ready
Relationship building	Giving officials from countries with companies wishing to invest in a district confidence that local leaders are supportive of investment
Regulatory process surety	Providing investors clarity in navigating local regulatory processes (such as resource consents and building consents)
Infrastructure provision	Being catalytic in investment decisions or through specific agreements with investors.

IISOG has an interest in the delivery of all these activities in the Far North in an oversight capacity and in some cases as the lead agent. The following table outlines IISOG's role:

Mechanism	Lead agencies	IISOG role:
Opportunity identification	FNHL, NINC	<ul style="list-style-type: none"> <li>• Overview, ensure alignment with strategy</li> </ul>
Investment readiness	NINC, MBIE	<ul style="list-style-type: none"> <li>• Overview, share intelligence from relationship events</li> </ul>

Relationship building	IISOG	<ul style="list-style-type: none"> <li>Responsible for planning and delivery</li> </ul>
Regulatory process surety	FNDC	<ul style="list-style-type: none"> <li>Overview, share intelligence from relationship events</li> </ul>
Infrastructure provision	FNDC	<ul style="list-style-type: none"> <li>Overview, ensure alignment with strategy</li> </ul>

## Components of a terms of reference

These are the proposed components of a terms of reference for discussion by the Inward Investment Strategy Oversight Group:

Deliverables	<ul style="list-style-type: none"> <li>Adopt an Inward Investment Strategy</li> <li>Oversight of the implementation of the Inward Investment Strategy</li> <li>Evaluation and review of the Inward Investment Strategy</li> <li>Coordination of the delivery of all civic related activities that support inward investment (such as Sister City programme)</li> <li>Delivery of the (governance to governance) stakeholder management programme relating to inward investment</li> <li>Determine appropriate levels of protocols for relationships such as powhiri, gifting, and other reciprocity</li> </ul>
Frequency	<ul style="list-style-type: none"> <li>Quarterly meetings</li> <li>Other meetings may be scheduled as opportunities arise or oversight is required for the delivery of key events.</li> </ul>
Confidentiality	<ul style="list-style-type: none"> <li>Meetings will be confidential within disclosure requirements of LGOIMA. This includes prohibition on sharing the agenda and meeting record (other than what IISOG agree to be shared).</li> </ul>
Decision-making	<ul style="list-style-type: none"> <li>Consensus decision-making</li> </ul>
Reporting	<ul style="list-style-type: none"> <li>Operations Support Team will provide an update report to each scheduled quarterly meeting on: <ul style="list-style-type: none"> <li>Progress on achieving the deliverables of IISOG</li> <li>Update on FNDC activity proving 'regulatory process surety' and 'infrastructure provision'</li> </ul> </li> </ul>
Administrative Support	<ul style="list-style-type: none"> <li>FNDC will provide administrative support for meetings</li> </ul>