

The BrightEconomy



Leading prosperity naturally

Sustainable development brings prosperity to improve the standard of living and the quality of life of Rotorua's citizens.

The BrightEconomy Advisory Board is taking a lead to help Rotorua gain the benefits generated by sustainable growth. Our vision is to lead prosperity naturally.

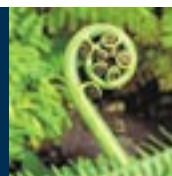
We present the strategic direction we have developed after intensive research, consultation and debate to ensure Rotorua and its people can make the most of our natural advantages in a global economy.

The BrightEconomy Board has created a firm foundation to plan development through the Rotorua Future Insights Process. On this foundation we have developed a sound, sustainable framework for development that can bring real economic, social and cultural benefits.

BrightEconomy

Rotorua

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The BrightEconomy Strategy

A strategic framework for economic development was prepared last year after research and consultation with Rotorua business people and organisations. The BrightEconomy Advisory Board was established on the basis of the strategy.



The strategy is based on five key themes:

1. **Adding value to the economy** – broadening and deepening the economy to extend opportunities, particularly in tourism, forestry and wood processing, and agriculture.
2. **A dynamic place** – creating a dynamic environment to attract and retain residents, visitors, investors and businesses.
3. **The business environment** – establishing an environment to support sustainable economic development.
4. **Education and skills** – encouraging skilled workers to stay in the district, developing more ways to improve the skills and education of local people.
5. **Building networks and growing capacity** – developing the structures, partnerships and networks we need to produce results across the economic spectrum.

Sustainable Development

Sustainable local economic development is the key to growing the Rotorua economy. The goal is more productive enterprises, higher incomes, more and better jobs, a strong tax base for public facilities, and better social, environmental and cultural qualities.

Economic development is a long-term process of building the capacity to take advantage of opportunities. To achieve this we must coordinate infrastructure development, education and employment, business retention, identification of new markets, development of new industries, and transfer of knowledge to our people.

Successful economic developments build on the inherent strengths of our community and our district.



The Start

The Advisory Board, with guidance from Professor Wayne Cartwright of Auckland University, analysed the major future drivers of global and regional change to understand key factors influencing the economy at global, national and Rotorua levels in the short to medium term.

The relevant major drivers are:

- Energy prices and supply
- More frequent and severe weather events
- Changing lifestyles, work patterns and family structures
- Increasing global disruption and anxiety
- Global water crises
- More difficult global and NZ economic conditions
- NZ infrastructure investment continues to lag
- Geological activity (local driver)
- The unique role of Maori in Rotorua (local driver)

Identifying these drivers provides a robust, sustainable local foundation to build on our natural competitive advantages.



Opportunities

The BrightEconomy Board identified three existing economic areas of focus, six key opportunity areas and two crucial "gamebreakers" as its main priorities..

The six opportunity areas have long-term prospects to generate substantial new business opportunities, fit strategically with the drivers of change and build on Rotorua's natural comparative advantages.

The Board will work to encourage and stimulate development of industries in these areas during 2006/07.

The Board will work to assist growth in the district's existing mature industries, especially farming, forestry and wood processing, and tourism, where some excellent growth initiatives are already being developed.

Existing areas	Opportunity areas		Gamebreakers
Farming	Local energy generation	Bio-materials	Streamlined, proactive planning & regulatory environment
Forestry & wood processing	Immigration & lifestyle investment	Land use optimisation	
Tourism	Water	Research & development	Regional live, work, learn, invest & do business promotion & marketing



Opportunities

Six key areas of focus

Local energy generation

Current energy sources and supply are coming under increasing pressure. Prices continue to rise as "peak oil" – rising demand and diminishing reserves – affects all energy sources.

Renewable resources, cost-effective generation and security of supply will become increasingly important.

Rotorua is quite capable of self-sufficiency with security of supply. The district is rich in natural energy resources such as geothermal fields, small-scale hydro-electricity potential and waste wood for renewable bio-energy. The resources are backed by research and development capability locally.

This combination offers opportunities to produce energy locally to reduce the risk of national energy shortages, and presents a global competitive advantage in secure energy supplies for business and living.

Biomaterials

Mankind has traditionally relied on plants and animals for food, shelter, energy and clothing. In recent times the demand for more modern and flexible alternatives has escalated.

Non-renewable materials such as steel, concrete, aluminium and plastics derived from oil have come to dominate. Peak oil will bring scarcity and rising prices for oil-based materials and the energy needed to manufacture metal products.

The need to find substitutes is urgent if we are to maintain our standard of living. One obvious substitute is plant matter, especially wood, processed in new ways. Rotorua has both the raw material and a source of know-how, in Scion, which is focusing on a Bio-materials Futures Strategy.

Water

Worldwide, pressure is growing on water resources for drinking, health, industry and recreation.

Rotorua is uniquely placed to gain from our comparative natural advantage with 14 lakes, good regular rainfall and abundant, clear springs to support sales of drinking water.

While we are addressing water quality issues, our natural water resource is a global asset, both for new business and for its lifestyle benefits.

Work on restoring the lakes presents opportunities to combine environmental and economic approaches, and will position the region as a global centre for developing and applying improved lake water technology.



Land use optimisation

The land underpins all the other areas of focus in this strategy and is a key factor for Rotorua's major existing economic drivers.

Land use optimisation will aim to balance the needs of primary industry; bio-material resource production; local energy generation; where and how we live; and the quality of water flowing into the lakes. Innovative thinking will aim to optimise use for these needs and provide for new, sustainable uses.

Substantial iwi ownership means land is a major driver of economic opportunity for Rotorua's significant Maori population.

The goal is to optimise economic, social, cultural and environmental aspects of land use and still protect property rights.

The regulatory approach must focus on decisions that encourage innovation and lead to balanced economic and environmental outcomes – for example, to encourage commercial development of new ways to mitigate environmental harm.



Immigration and lifestyle investment

Rotorua has a unique blend of lifestyle qualities: outdoor activities; tourism and leisure facilities; special natural environment; affordable housing; an accessible, central location.

As people become more mobile, working patterns change and families become more varied, our lifestyle advantages need to be accentuated to attract immigrants with more skills, knowledge and resources to generate higher incomes and more job opportunities.

Rotorua must be marketed as a destination for living, working, investing, doing business and studying.

Worldwide, lifestyle is becoming more important than greater material wealth. Overseas, many feel increasingly insecure; in New Zealand, big city pressures and costs lead some to look for a more relaxed lifestyle.

Rotorua can attract well-educated residents with high incomes and an interest in living in a safe environment where town meets country.

Many lifestyle investors will be in business and internationally linked. Rotorua can grow from the opportunities and challenges they will bring.

Research and development

R & D is a vital part of the five other opportunity areas. It is so important that it stands as a sixth area of opportunity in its own right.

In addition, global commodity markets heavily influence Rotorua's existing forestry and farming sectors.

Globalisation and competition from low-cost producers such as China add urgency to the need to look for more ways to add value to commodity products.

The BrightEconomy Board will work with key stakeholders to raise awareness of the need for more research and development. We will create pathways to help ensure that Rotorua businesses have access to the fruits of research and development.

BrightEconomy Advisory Board framework

Existing areas		
Farming	Forestry & wood processing	Tourism

Drivers of change 2005-2025	
Energy prices and supply	More difficult global and NZ economic conditions
More frequent & severe weather events	NZ infrastructure investment continues to lag
Changing lifestyles, work patterns & family structures	Geological activity
Increasing global disruption & anxiety	Unique role of Maori in Rotorua

Opportunity focuses		
New Business	New Opportunities from existing businesses	Critical facilitation "gamebreakers"
Local energy generation	Bio-materials	Streamlined, proactive regulatory environment
Immigration & lifestyle investment	Land use optimisation	Regional live, work, learn & do business promotion & marketing
Water	Research & development	

Crucial support sectors and infrastructure

Building capacity to take advantage of opportunities is a crucial part of the strategic framework. Support sectors of the economy and essential civic and district infrastructure must be developed alongside new lifestyle, business and employment initiatives.

These include health, education, retail, transport, business services, ICT, community services, creative sector, manufacturing, electrical, transport and critical services infrastructure, law and order, healthy environment, news and information media.



Prosperity

Through our key areas of focus we want to achieve:

Supportive and responsive government – local, regional and central – that understand the programme, support economic development of Rotorua and work with local agencies on policy, research and development, and funding.

Regional promotion and marketing ensure Rotorua is regarded as a go-ahead business, lifestyle and investment centre.

Water –Rotorua is a prime lakes destination, with catchments transformed for sustainable uses and new water-based business opportunities through lake restoration.

Farming, tourism and forestry/wood processing gain new opportunities through the application of research and development, and economic and infrastructure development.

Regulatory planning and consent processes reflect economic development goals, and Rotorua leads New Zealand in processing resource consent applications.

Local energy generation leads New Zealand in generating 100% renewable energy through geothermal, hydro-electricity and bio-energy production for secure supply.



Land use optimisation enables Rotorua to maintain its unique environment while managing economic and population growth.

Immigration & lifestyle investment by skilled and enterprising foreign and domestic immigrants who see Rotorua as the most desirable destination, brings new opportunities.

Bio-materials Rotorua is recognised as the Australasian hub and ultimately the global centre for research and development and commercialisation of bio-materials initiatives.

Research and development capability and access to funding become recognised strengths of Rotorua, supporting development in all the areas of focus.



Rotorua BrightEconomy Advisory Board

The Board, established by the BrightEconomy Appointment and Review Panel in September 2005, operates under a memorandum of understanding with the Rotorua District Council.

Made up of 11 leading Rotorua business people, the Board works with Destination Rotorua Economic Development to drive the implementation of the Rotorua BrightEconomy Strategy.

The Board has four key roles – leadership, communication, advice and evaluation and facilitation. It operates under the principle of sustainable economic development.

People make the difference



Back row, left to right: Bryce Heard (Chairman); Ray Cook (Board member); Sandra Kai Fong (Board member); Lachlan McKenzie (Board member); Lidi Schiefelbusch (Board member); Michelle Rendall (Deputy Chair); Neville Nicholson (Board member); Dr Margriet Theron (Board member); Tupana Morrison (Board member); Mayor Kevin Winters. Front row: Peter Guerin (Rotorua District Council Chief Executive); Mark Rawson (Destination Rotorua Economic Development General Manager). Inset: Harvey James (Board member).

Destination Rotorua Economic Development team



Left to right: Chris Heywood, Amanda Gooding, Jo Gargiulo, Mark Rawson

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Partners

