



**CROWN  
INFRASTRUCTURE**  
PARTNERS | HANGA NGĀTAHI

CROWN INFRASTRUCTURE PARTNERS LIMITED

# STATEMENT OF INTENT

**1 JULY 2024 – 30 JUNE 2028**

June 2024

Presented to the House of Representatives  
pursuant to the Crown Entities Act 2004





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# 1: INTRODUCTION

This Statement of Intent (SOI) is submitted by the Board of Directors of Crown Infrastructure Partners Limited (CIP), pursuant to the Crown Entities Act 2004 and sets out CIP's strategic objectives and intentions from 1 July 2024 to 30 June 2028.

Crown Infrastructure Partners (CIP) is a Schedule 4A company under the Public Finance Act 1989 and supports the implementation of the Government's infrastructure, climate change and adaptation, and sustainability objectives. The information provided in this SOI is for Crown Infrastructure Partners Limited (CIP, the Parent, and the Company) and its controlled subsidiaries (the Group).

Initially formed in 2009, CIP successfully implemented the Ultra-Fast Broadband (UFB) programme. The UFB programme is the largest jointly funded public and private infrastructure project in Aotearoa New Zealand, which was delivered on-time, under budget, and exceeded all expectations on use, uptake, and benefits.

CIP now supports the private sector, central and local government, Non-Government Organisations (NGO) and mana whenua on a broader range of public infrastructure, including a focus on:

- management of Infrastructure Funds including the Infrastructure Reference Group (IRG), Cyclone Recovery and Rural Drinking Water programmes to fund Councils, private sector, iwi and NGOs;
- utilising the Infrastructure Funding and Financing Act 2020 (IFFA) to raise private capital to fund public infrastructure and support housing growth and providing corporate advisory support to Government on sustainable funding and financing solutions for the implementation of the Local Water Done Well policy by local authorities; and
- funding and overseeing the delivery of connectivity infrastructure including Rural Broadband, Rural Mobile, Marae Digital Connectivity and the Emergency Services' Public Safety Network.

CIP is responsible for the statements contained in this document, including the appropriateness of the underlying assumptions.



Mark Binns, Chair  
30 June 2024



Bella Takiari-Brame, Director  
30 June 2024



## 2: OPERATING ENVIRONMENT

CIP is operating in an environment where many of its funded infrastructure programmes can draw on the same or similar engineering, construction, and supply chain resources. Accordingly, CIP endeavours to balance the allocation and timing of infrastructure work across sectors and regions to minimise any capacity constraints. A number of infrastructure owners need support with project management and oversight of projects which CIP can support in an appropriate way where warranted.

Given the increased breadth and scale of CIP’s responsibilities, CIP is in an environment where it is managing a broad range of infrastructure investments across the country for the Government with regular reporting to Government on progress.

Several of CIP’s delivery partners, particularly Local Territorial Authorities, have multiple priorities due to large infrastructure deficits, which impact budgets. Where possible, CIP is assisting Local Territorial

Authorities with the infrastructure programmes CIP is funding and managing to ensure delivery.

Relationships held with these Local Territorial Authorities is of particular importance given the current national challenges New Zealand is encountering due to the severe North Island weather events. CIP is supporting and working closely with weather event-impacted councils to reinstate crucial infrastructure across some of the most impacted regions of New Zealand through the Cyclone Recovery programme.

Given the nature of CIP’s activities and that these are Government funded, there is strong public interest in their progress. Therefore, CIP supports Government in the publishing of quarterly progress reports on its main infrastructure focus areas - being connectivity infrastructure, the Infrastructure Reference Group programme, with quarterly reporting soon to commence on the Cyclone Recovery programme.

## 3: THE NATURE AND SCOPE OF CIP

CIP supports Government policy in the areas of connectivity infrastructure, infrastructure funds, and infrastructure funding and financing by partnering with the private sector, iwi, NGOs, and local government to implement infrastructure policies and deliver infrastructure projects.

CIP has three main infrastructure focuses as set out below. It is currently envisaged that within CIP’s current constitutional purpose and mandates that these three focuses would remain over the period of the SOI.

### Infrastructure Funds

CIP oversees and manages several infrastructure funds established by Government to support the development of infrastructure in New Zealand, addressing specific infrastructure needs based on Government policies and priorities. CIP administers these funds through the establishment of contracts and funding arrangements (including any co-funding from recipients or other sources), reports on performance of the funds, monitors risk, and provides support and/or intervention when necessary. Infrastructure funds include community, transport, housing, water, and environmental (including flood mitigation and carbon reduction) infrastructure.

### Infrastructure Funding and Financing

CIP supports the Government in achieving its infrastructure objectives by utilising the Infrastructure Funding and Financing Act 2020 (IFFA) to finance and fund public infrastructure by raising private debt capital and providing equity investment. CIP also provides corporate finance advice to the Government on an as required basis.

### Connectivity Infrastructure

CIP has been supporting the Government’s connectivity infrastructure policies and priorities since 2010. Having successfully completed the Ultra-Fast Broadband programme in 2022, CIP is currently delivering a number of programmes with partners across the telecommunication sector for rural broadband, rural mobile and public safety infrastructure as determined by the Government.

### Government establishment of Strategic Priorities

Within CIP’s three infrastructure focus areas, Government periodically issues policy mandates requesting CIP to undertake particular strategic priorities based on its current policies and priorities. Over the period of the SOI, some strategic priorities will end, others may be modified, and new ones added.



Wellington Sludge Minimisation Facility - IFF Programme

Additional strategic priorities could involve new infrastructure funds, the modification of the purpose of an existing infrastructure fund, an additional connectivity infrastructure focus, a wider range of corporate finance advice, and potential broadening of funding and financing tools for infrastructure.

As changes to strategic priorities occur, they will be reflected in CIP’s annual Statement of Performance Expectations. Any significant changes to the three infrastructure focuses or scope of CIP’s activities would lead to an update of CIP’s SOI.

Government decides on any new strategic priority through a process that meets the Government’s policy and priority outcomes and establishes a fiscal envelope. Government, on advice from officials, then decides if CIP will be the delivery agency for the new strategic priority. The Government would then issue a policy mandate to CIP to consider. On the basis CIP accepts the policy mandate, funding and other arrangements (such as monitoring, reporting requirements, and outcomes) are established and CIP then commences implementation.

# 4: CIP’S VISION, OBJECTIVES, PRIORITIES AND FUNCTIONS

The strategic priorities the Government has currently mandated CIP to deliver and oversee are reflected in CIP’s Strategic Objectives. CIP’s core capability is the ability to execute through infrastructure delivery partners, oversee performance, and actively monitor progress. Therefore, CIP’s ability to influence its delivery partners is key to achieving its Strategic Objectives and successfully delivering on the Government’s priorities.

The following diagram sets out CIP’s vision, strategic objectives, functions and strategic priorities.

## CIP VISION

“To partner with the private sector, iwi and local government to deliver infrastructure to improve the lives of New Zealanders”

Hanga Ngātahi – Building Together

## STRATEGIC OBJECTIVES

**Deliver Government infrastructure funding** - ensure Government funds and funding for priority infrastructure achieves national priorities

**Infrastructure Funding and Financing** - support public infrastructure and housing growth through the development and/or implementation of alternative funding and financing models

**Improve connectivity** - increase access to, and capacity of, rural broadband and mobile telecommunications across New Zealand, and deliver improved radio and cellular network infrastructure for New Zealand’s front line emergency services responders

## STRATEGIC PRIORITIES

- **Infrastructure Reference Group** – provide funding and oversight on the delivery of projects approved by Government for IRG funding to support construction employment and economic activity
- **Rural Drinking Water** – deliver safe drinking water to kāinga and other water supplier sites in rural New Zealand through the provision of water treatment plants
- **Cyclone Recovery** – provide funding and oversight of councils in their response to the North Island weather events, including funding 50% of the purchase of category 3 properties, construction of flood protection infrastructure to protect category 2 properties, and repair of regional and local transport links

- **Infrastructure Funding and Financing tool** – implement and/or facilitate funding and financing of infrastructure in accordance with the IFF Act 2020
- **Local Water Done Well** – advise Government on the development of sustainable funding and financing solutions to fund necessary investment in waste and drinking water infrastructure
- **Supercharging Electric Vehicle Infrastructure** – advise Government on financing options for the provision of Electric Vehicle Infrastructure

- **Rural Broadband** – enable rural households and businesses to receive improved broadband capacity or coverage
- **Rural Mobile** – improve the availability of mobile services to support safety on state highways and regional roads, enhance visitor experience at great walks/cycleways/track-ends and key tourist destinations, and provide mobile coverage to settlements, which do not currently have coverage from any mobile operator
- **Public Safety Network** – act as delivery oversight partner together with NZ Police for the Public Safety Network by supporting procurement and delivery of radio and cellular network infrastructure

## FUNCTIONS

- Monitor performance
- Maintain and manage data
- Report to Government and public
- Intervene where appropriate in programmes that are not meeting expectations
- Procure services that meet need
- Raise debt
- Manage Crown investments
- Manage stakeholder relationships across the public and private sectors
- Monitor health and safety performance
- Recruit, retain, and develop suitably qualified staff
- Manage contracts





Parekura Bay, Northland,  
RCG - Rural Connectivity Programme

## 5: HOW NEW ZEALANDERS WILL BENEFIT FROM CIP'S STRATEGIC PRIORITIES

All of CIP's strategic priorities have a high public benefit element where many New Zealanders, iwi, hapū, whānau and businesses will benefit as follows:

**Infrastructure Reference Group strategic priority:** will benefit New Zealanders throughout the country by providing new community facilities such as sports and recreation centres, swimming pools, social housing, increased land supply for housing, improved transport links, social infrastructure (such as The Kind Foundation and City Missions), and increased tertiary education facilities, whilst supporting construction employment.

**Rural Drinking Water strategic priority:** will benefit New Zealanders by providing safe drinking water infrastructure for marae, kōhanga reo, and papakāinga and other private rural water suppliers that are not connected to a town supply, and to provide training to maintain water treatment to the Taumata Arowai drinking water standards.

**Cyclone Recovery strategic priority:** will benefit New Zealanders by reducing intolerable risk to life and increasing the insurability of residential properties in weather impacted regions across New Zealand and restoring regional and local transport links for communities and commerce. The Cyclone Recovery programme will also provide funding to councils to support flood resilience projects in the most severely impacted regions.

**Infrastructure Funding and Financing strategic priority:** will benefit New Zealanders by enabling infrastructure to be funded for communities which previously could not be funded, improving land availability for housing and city/regional wide benefits such as improving transport outcomes, water treatment or waste infrastructure improvements, climate resilience, and community infrastructure.

**Local Water Done Well strategic priority:** will benefit New Zealanders by providing sustainable funding and financing solutions to support the funding of water infrastructure investment and support more financially sustainable water services. This will increase the quality of drinking water to New Zealanders and improve waterways (rivers, streams, lakes, and sea) environmental outcomes.

**Supercharging Electric Vehicle (EV) Infrastructure strategic priority:** will benefit New Zealanders by financing Electric Vehicle (EV) Infrastructure to support the transition to a lower carbon transport fleet.

**Rural Broadband strategic priority:** will benefit New Zealanders by ensuring that rural areas in New Zealand will have access to improved broadband connectivity. The programme will also benefit those who have experienced congestion or no service due to capacity constraints.

**Rural Mobile strategic priority:** will benefit New Zealanders by improving the availability of mobile services to support safety on state highways, at key tourist destinations, regional council roads with high accident rates, great walks and cycleways, track-ends, and settlements which do not currently have coverage from any mobile operator. This will improve access to emergency services, emergency civil defence cell broadcast alerts, improved navigation, and other benefits to those in rural New Zealand.

**Public Safety Network strategic priority:** will benefit New Zealanders by providing the most up to date, secure, resilient communications capability and coverage for emergency service agencies to better serve and improve wellbeing for members of the public.

Note: Strategic Priorities will vary, be completed and added over the duration of the SOI consistent with the scope of CIP outlined in section 3.



## 6: HOW CIP WILL DELIVER ON KEY OBJECTIVES

### 6.1 HOW CIP WILL ACHIEVE ITS STRATEGIC OUTCOMES

**CIP intends to manage its functions and operations to achieve these outcomes by:**

- conducting due diligence where necessary into infrastructure funding proposals;
- where required, conducting competitive market procurement for infrastructure proposals that meet agreed Government outcomes;
- conducting procurement that takes into account Government's social and sustainable procurement outcomes;
- contracting with infrastructure delivery partners for Government funding, any co-funding and infrastructure outcomes as agreed with Government;
- where the infrastructure investment requires private capital, conduct that financing through non-recourse Special Purpose Vehicles (SPVs) on a market competitive basis to match the cash durations of the underlying infrastructure investment;
- where final Government approval is required (i.e. IRG projects and IFF equity funding and levy setting), progressing those approvals after consultation with the relevant portfolio agencies and The Treasury;
- where any changes to existing policy settings may be necessary to achieve infrastructure outcomes, highlighting these to the relevant policy portfolio agency and provide support in respect to any policy setting changes;
- providing corporate finance advice on funding and financing of infrastructure;
- monitoring infrastructure investment delivery cost and scope risks, and where risks are increasing or not mitigated, seek appropriate actions from infrastructure delivery partners to remedy these;
- developing databases and reporting systems to monitor all programmes;
- supporting infrastructure delivery partners to ensure targets and outcomes are achieved by providing subject matter expertise where necessary to provide guidance in procurement contracting, reporting, and risk management;

- monitoring any investment in infrastructure partners where those funds are to be returned to the Crown;
- actively monitoring and managing infrastructure partners through regular insight reporting to ensure targets are achieved; and
- providing regular progress reporting on all programmes to Government and, where determined by Government, to the public.

### 6.2 GOVERNMENT AND SOCIAL OUTCOME DELIVERY

**CIP intends to manage its functions and operations to deliver Government and social outcomes by:**

- monitoring health and safety performance by infrastructure partners across all relevant programmes, and ensuring CIP's own staff/contractors have a safe working environment and do not suffer any harm;
- continuing to work with the relevant Government officials as its work programmes progress and advise of any material changes to such programmes. CIP is mindful of consulting with officials when it raises various matters or options with Ministers which require policy consideration;
- continuing to support and encourage diversity, inclusion, and gender balance in the workplace and in leadership;
- managing CIP so as to avoid waste, increase efficiency, and reduce future costs;
- establishing and implementing climate reduction and sustainability initiatives for CIP, and working with infrastructure partners to encourage them to develop sustainable initiatives;
- identifying any opportunities to exit investments earlier to improve recycling of funds into other Government initiatives, and notifying Ministers of these opportunities; and
- updating forecasts to Government of any surplus capital throughout the SOI period.

## 7: MEASUREMENT OF CIP STRATEGIC PRIORITIES

The framework for establishing annual CIP performance targets and measures through to 2028 for assessing performance against CIP's strategic objectives, as well as financial and operational efficiency, are set out below. Targets for each specific year are set annually in CIP's Statement of Performance Expectations and performance against these measures is reported on in CIP's Annual Report.

Achieving the various strategic objectives within the fiscal envelope is CIP's key accountability – in particular, ensuring that infrastructure for each programme is deployed on time and in line with the Government's policy requirements.

### 7.1 INFRASTRUCTURE REFERENCE GROUP STRATEGIC PRIORITY

The Infrastructure Reference Group (IRG) programme is comprised of 221 approved infrastructure projects being managed by various Government agencies, with 46 being directly overseen by CIP. Additionally, CIP monitors the overall programme.

Specific measures which will be developed each year for the Infrastructure Reference Group strategic objective will include:

- CIP projects advanced during the year, measured by amount of Government funding invested versus total Government funding approved for projects; and
- overall number of CIP IRG projects completed that year.

CIP will report the overall programme performance to the Government and public.

### 7.2 RURAL DRINKING WATER STRATEGIC PRIORITY

The Rural Drinking water programme provides safe drinking water solutions to kāinga and not-for-profit rural water suppliers in areas of lower deprivation. CIP manages and funds the implementation of the Rural Drinking Water programme.

Specific measures which will be developed each year for the Rural Drinking Water strategic objective will include:

- number of kāinga and other rural water treatment plants installed;
- number of kāinga and other rural sites satisfied with installation as determined by CIP based on the outcomes of a survey of relevant kāinga and other rural water suppliers.

CIP will report the overall programme performance to the Government and public.

### 7.3 CYCLONE RECOVERY STRATEGIC PRIORITY

Following highly destructive weather events in 2023, most notably the Auckland Anniversary Weekend floods and Cyclone Gabrielle, the Government established a fund to assist affected regions. Funding will be provided to support identified councils in the recovery of critical infrastructure, including transport and flood protection, and to assist in the buyout of flood affected properties.

Specific measures which will be developed each year for the Cyclone Recovery strategic priority will include:

- For Regional/Local Transport:**
  - the number of Regional/Local Transport repair/reinstatement projects commenced and completed during the year.
- For Category 2 Flood Mitigation:**
  - the number of Category 2 Flood Mitigation projects commenced and completed during the year.
- For Flood Resilience Fund:**
  - the proportion of Flood Resilience projects completed during the year measured by funding invested.
- For Category 3 Property Buy Outs:**
  - number of Category 3 property purchases funded during the year.

### 7.4 INFRASTRUCTURE FUNDING AND FINANCING TOOL STRATEGIC PRIORITY

CIP utilises the IFF Act (2020) to finance and fund infrastructure by levying beneficiaries of that infrastructure. CIP's role includes facilitation and execution of transactions, raising finance, (debt) on capital markets, investing in and operating special purpose vehicles established, and working with officials on the ongoing development of alternative models.

Specific measures which will be developed each year for the Infrastructure Funding and Financing strategic priority will include:

- progress towards transaction close or advancement of IFF funded projects in any particular year.

CIP will continue to maintain a pipeline of projects for infrastructure which are suitable for being funded by IFF.



7.5 LOCAL WATER DONE WELL  
STRATEGIC PRIORITY

A strategic priority for CIP in FY24/25 is to support the Government’s implementation of Local Water Done Well (LWDW) policy by providing corporate finance advice.

The LWDW policy has been developed to enable local councils to be financially sustainable in the operation and investment of their drinking and wastewater assets.

CIP is currently advising the Government and local government officials to identify financing and funding tools and arrangements which will enable more flexible use of debt to fund and finance water infrastructure investment. LWDW is identified as a strategic priority but is not classified as a reportable output as it is advisory.

7.6 SUPERCHARGING ELECTRIC  
VEHICLE INFRASTRUCTURE  
STRATEGIC PRIORITY

A strategic priority for CIP in FY24/25 is to support the Government’s implementation of its Supercharging Electric Vehicle (EV) Infrastructure policy. CIP will be advising the Government on various financing options to support the rollout whilst enabling the recycling of capital. Supercharging Electric Vehicle Infrastructure is identified as a strategic priority but is not classified as a reportable output as it is advisory.

7.7 RURAL BROADBAND STRATEGIC  
PRIORITY

The Rural Broadband programmes enable rural households and businesses to receive terrestrial broadband either for the first time or to receive enhanced broadband coverage where prior terrestrial services offered download speeds less than 10Mbps, or in some cases, no service.

Specific measures which will be developed each year for the Rural Broadband strategic objective will include:

- number of rural households and businesses receiving a new or improved broadband service; and
- number of rural households and businesses receiving upgraded broadband capacity.

7.8 RURAL MOBILE STRATEGIC  
PRIORITY

While urban and other highly populated areas of New Zealand are able to be commercially provided with mobile telecommunications services, the needs of locations with lower population density and complex geography have not been able to be serviced by the mobile network operators. This includes isolated homes, businesses and communities, as well as the infrastructure which connects them.

Specific measures which will be developed each year for the Rural Mobile strategic objective will include:

- number of tourist locations covered;

- completed coverage of state highways and regional or local roads; and
- settlements which gain new mobile voice coverage.

7.9 PUBLIC SAFETY NETWORK  
STRATEGIC STRATEGIC PRIORITY

CIP is the telecommunications infrastructure procurement partner to NZ Police for the Public Safety Network’s (PSN) Critical Communications Network. CIP has partnered with the Next Generation Critical Communications Group of NZ Police as an infrastructure delivery oversight partner. The PSN comprises two major infrastructure elements:

- an upgrade to the One.nz and Spark mobile networks to provide roaming and service priority/pre-emption/ quality of service (Priority Mobile) for the emergency services agencies; and
- a new digital P25 Land Mobile Radio (LMR) network.

Specific measures which will be developed each year for the Public Safety Network strategic objective will include:

- the availability of priority mobile new features for all emergency service agencies; and
- number of regions served with Land Mobile Radio.

7.10 FINANCIAL AND OPERATIONAL  
EFFICIENCY

Each year, the CIP Board will plan the future resourcing levels of CIP and consult with its shareholding Ministers and relevant portfolio Ministers, depending on:

- progress made towards achieving the various strategic objectives of the company;
- the performance of infrastructure partners in meeting their obligations under CIP contracts;
- any new initiatives or expansion of existing initiatives; and
- the degree to which Crown investment is actively monitored, based on the current level of risk and the level of support the Government requires.

Over the next four years, CIP will continue to ensure operational expenditure is appropriate for the scale and scope of activities as set by Government and will work with Treasury officials on related matters where appropriate. CIP may also determine that some functions are no longer required or can be performed more effectively by other Government agencies.

Details of CIP’s forecasts and financial statements are provided in its SPE for the current and upcoming fiscal years. CIP also expects to maintain its operational efficiency over time.

The ratio of operational costs to its annual investment infrastructure and infrastructure investments being overseen is expected to remain at or below 5% over this SOI period.



Lindis Pass, RCG - Rural Broadband Programme



## 8: ORGANISATIONAL HEALTH AND CAPABILITY

### 8.1 COMPANY VALUES

CIP's values are:



### 8.2 HEALTH AND SAFETY

CIP will ensure that it complies with its obligations under the Health and Safety at Work Act 2015. CIP is committed to the wellbeing, health and safety of its employees, its contractors, and the community.

CIP will continue to encourage its partners to achieve zero serious harm injuries and will benchmark those partners' performance against key industry safety measures, such as the Total Recorded Injury Frequency Rate (TRIFR). CIP will report its health and safety outcomes each year in its annual report.

### 8.3 CAPABILITY DEVELOPMENT

CIP supports its staff to achieve its strategic objectives and purpose by:

- focusing on capability development to align the available skills with current organisational and Government outcome requirements;
- focusing on collaboration and staff engagement across the company; and
- maintaining employee wellbeing.

CIP will continue to develop and maintain the following core capabilities:

- commercial negotiation and procurement expertise;
- corporate finance and legal expertise;
- probity procurement expertise;
- delivery oversight and monitoring expertise;
- database and reporting expertise;
- engineering expertise in the various areas of infrastructure focus;
- facilitation expertise in IFF;
- stakeholder, Government relationship, and communications expertise; and
- financial management, analysis, settlements, cashflow management, and reporting expertise.

### 8.4 ENSURING CIP IS A GOOD EMPLOYER

The successful achievement of CIP's strategic objectives depends on adequate strong workforce capability in a number of areas, including those relating to technical, commercial, financial, and investment expertise. It is important that CIP retains skilled staff, is a good employer, and offers an attractive place to work, consistent with the Government Workforce Policy Statement.

CIP employment policies incorporate progressive employment practices that help create an inclusive working environment that fosters high performance, encourages diversity, and sustains high employee engagement and wellbeing. Being open to, and respecting diverse perspectives and thinking is essential to CIP's success and is reflected in CIP's organisational values.

CIP has a specific EEO (Equal Employment Opportunity), Diversity and Inclusion policy focused on creating an environment which attracts and retains a diverse workforce through inclusive workplace practices and encouraging and supporting the full participation of staff. This is reflected in CIP's workforce where 45% staff are from a non-NZ European background.

CIP will report each year in its annual report results of its staff engagement survey.

### 8.5 RISK MANAGEMENT

CIP operates with a rigorous approach to risk management, which includes maintaining a regularly updated register of risks to the delivery of its strategic objectives, managing these through an agreed management process, and receiving oversight from the Board's Audit and Risk Committee as described in Section 9.3.



8.6 CLIMATE CHANGE

CIP’s operations do not directly have a significant emissions impact as the company is office-based and does not own any assets which generate carbon emissions. CIP’s main area to manage in this regard is emissions generated by staff and contractor travel and CIP seeks to offset the emissions when procuring travel services and where possible, use virtual meetings instead of travel.

A number of CIP’s major infrastructure programmes will and are having an impact in respect of climate change reduction. The investment in connectivity infrastructure will enable working and learning from home, decreasing transport emissions. The rural network will enable widespread ‘internet of things’ and make it easier, for example (as noted by the Climate Change Commission), to access the information farmers need to measure and monitor emissions and will support precision agriculture approaches.

Focus areas for CIP include supporting our partners in sustainable construction principles, investing in renewable energy, reducing transport emissions, and supporting methane reduction.

CIP-led projects that align with these themes include:

- **Sustainable construction principles:** funded projects include The Kind Foundation Christchurch; Auckland City Mission; Youth Hub; University of Auckland; Otago Polytechnic He Toki Kai Te Rika.
- **Renewable energy:** funding in electric ferries; Rural Broadband funding for solar panels on radio towers.
- **Reducing transport emissions:** funding in electric ferries; busways and multi-modal transport infrastructure; cycleways.
- **Supporting methane reduction:** funding for the Wellington City Council Sludge Minimisation Facility, and funding for the New Plymouth City Council Sludge Minimisation Facility.
- **Supporting climate adaptation:** funding flood protection projects including stop bank enhancements and river resilience.

8.7 PROCUREMENT

CIP follows All of Government (AOG) procurement rules and also maintains the highest levels of probity. CIP will seek to implement new areas of socially responsible procurement as set out in AOG procurement guidance, including a focus on iwi businesses, where possible, recognising that CIP’s partners conduct all material procurement.



Queenstown Research and Innovation Centre  
Queenstown - IRG Programme



# 9: GOVERNANCE

## 9.1 ORGANISATIONAL FORM

Incorporated in 2009 under the Companies Act 1993, CIP is a Crown-owned company, listed under Schedule 4A of the Public Finance Act 1989 and subject to the Crown Entities Act 2004, the Official Information Act 1982 and the Ombudsmen Act 1975.

Its shareholders are the Minister of Finance and the Minister for State Owned Enterprises, who each hold 50% of the issued share capital. As it aims to provide services to the public rather than make a financial return, CIP has designated itself a public benefit entity.

## 9.2 BOARD OF DIRECTORS

Following its established policy of strategic planning, sound procedures, and regulatory compliance, the Board is committed to a high standard of corporate governance in guiding and monitoring the business.

Responsibility for CIP’s operation and administration lies with the Chief Executive, who is accountable to the Board, which is currently made up of five non-executive Directors appointed by shareholding Ministers, following Cabinet approval.

## 9.3 BOARD COMMITTEES

To help Directors carry out their duties and fulfil their responsibilities, the Board has two standing committees. These are the:

- **Audit and Risk Committee**, which provides recommendations, counsel and information on accounting, reporting, risk management, in depth health and safety, and responsibilities under legislation. Its Terms of Reference also cover the role of internal audit; and
- **Remuneration Committee**, which provides advice and recommendations on remuneration and human resources policies for CIP.

## 9.4 CONSULTATION WITH MINISTERS

CIP expects to continue regular liaison with key officials and to engage with shareholding Ministers and the relevant portfolio Ministers as required. In particular, CIP will consult with its shareholding Ministers and the portfolio Ministers on any matters involving Government policy and any substantial matter not contemplated in this SOI or the annual SPE.

## 9.5 CROWN ENTITIES ACT REQUIREMENTS

CIP is subject to various sections of the Crown Entities Act, including the following:

- section 100 requires CIP to provide shareholding Ministers with advance notice of its intended investments during each financial year;
- section 133 requires the Board to supply to its responsible Ministers any information relating to its operations or performance as requested by Ministers;
- section 134 details good reasons for refusing to supply such information;
- sections 139 and 150 require preparation of an SOI and Annual Report;
- sections 149C and 149E require CIP to table an SPE outlining its reportable outputs and the intended achievement of each output;
- sections 154–156 relate to the preparation of the annual financial statements;
- section 158 relates to bank accounts; and
- sections 162 and 163 prohibit borrowing and restrict guarantees and indemnities.

## 9.6 OTHER STATUTORY REQUIREMENTS

Under the Public Audit Act 2001, the Controller and Auditor-General is the auditor of CIP.

# 10: COMPANY POLICIES

## 10.1 DISTRIBUTION POLICIES

As set out in the constitution, the Board may, if it is satisfied on reasonable grounds that the Company will satisfy the Solvency Test in accordance with the Companies Act 1993 immediately after the Distribution, authorise a Distribution by the Company to Shareholders of any amount, and to any Shareholders as it thinks fit in the form of share capital returns or reinvest such capital into infrastructure on the direction of Shareholding Ministers.

## 10.2 ACQUISITION POLICIES

CIP, as part of its infrastructure funding initiatives, will be making investments in equity, quasi-equity, and debt securities. Such investments are actively monitored, and CIP approaches such investments prudently to mitigate any risk of loss, recognising that some investments

are driven by Government policy outcomes and hence may have greater financial risk in which case these are highlighted to Government. CIP would not make any acquisitions outside its scope and normal course of business without explicit Government approval.

## 10.3 FINANCING

CIP (through subsidiaries) will raise debt and equity from capital markets for IFF related projects, which will be securitised against the revenue streams from such infrastructure. This financing and any interest rate SWAPS will always be non-recourse to CIP Parent Company and will not be guaranteed by the Crown or CIP Parent Company. Any exceptions to this will likely be through the Government Support Package as part of the IFF framework and would be explicitly agreed to by the Crown.



Kiwa Pools, Gisborne - IRG Programme





# CROWN INFRASTRUCTURE

PARTNERS | HANGA NGĀTAHI

