



TARANAKI

Taranaki is New Zealand's petroleum energy hub, as well as an important dairy and food processing centre.

The region's well-established petrochemical industry has created an internationally focused economy, with a strong network of engineering and technical businesses derived from the oil and gas industry, and reaching into a wide range of other specialised sectors.

Taranaki is also continuing to expand and diversify its capabilities in food processing and added-value animal by-products, creating fresh opportunities for investors.



Photo credit: Rob Tucker

REGIONAL HIGHLIGHTS

Oil and gas hub

Food processing centre

Global engineering expertise

High living standards

AREAS OF OPPORTUNITY

Capitalising on natural resources

Taranaki's oil and gas sector is geared to take advantage of further discoveries of oil and gas, both locally and across New Zealand. There is also potential for investment in petrochemical products and services that support the industry.

Added-value animal products

Taranaki's growing bio-extracts and secondary processing sectors offer investors an opportunity to further develop added-value products associated with the meat and dairy industries.

Growth in engineering

Taranaki is internationally recognised for innovation, sophistication and cost effectiveness in engineering. Investment in infrastructure at Port Taranaki and readily available engineering expertise creates an ideal environment for specialised engineering investment, to serve the oil and gas industry and other high-value customers in New Zealand or worldwide.



RICH IN RESOURCES

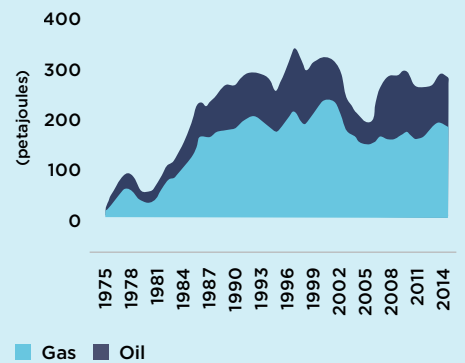
Key attributes of the region

Taranaki is the centre of New Zealand's oil and gas and petrochemical industry and generates all of New Zealand's current production. Established engineering and specialist supply chain clusters are well-equipped to service New Zealand's growing oil and gas industry.

New Plymouth, Taranaki's main centre, is also the base for New Zealand's only West Coast deep-water port, providing a convenient shipping link to Australia and Asia. The port is connected to the region's industrial parks via a heavy-haul route, enabling the road transportation of heavy engineering units for export.

Taranaki has a significant amount of commercially zoned land available for development, with easy access to roading, water and power infrastructure.

Annual Oil and Gas Production



20

producing oil and gas fields – all of New Zealand's production

Eight

global food processing plants

200

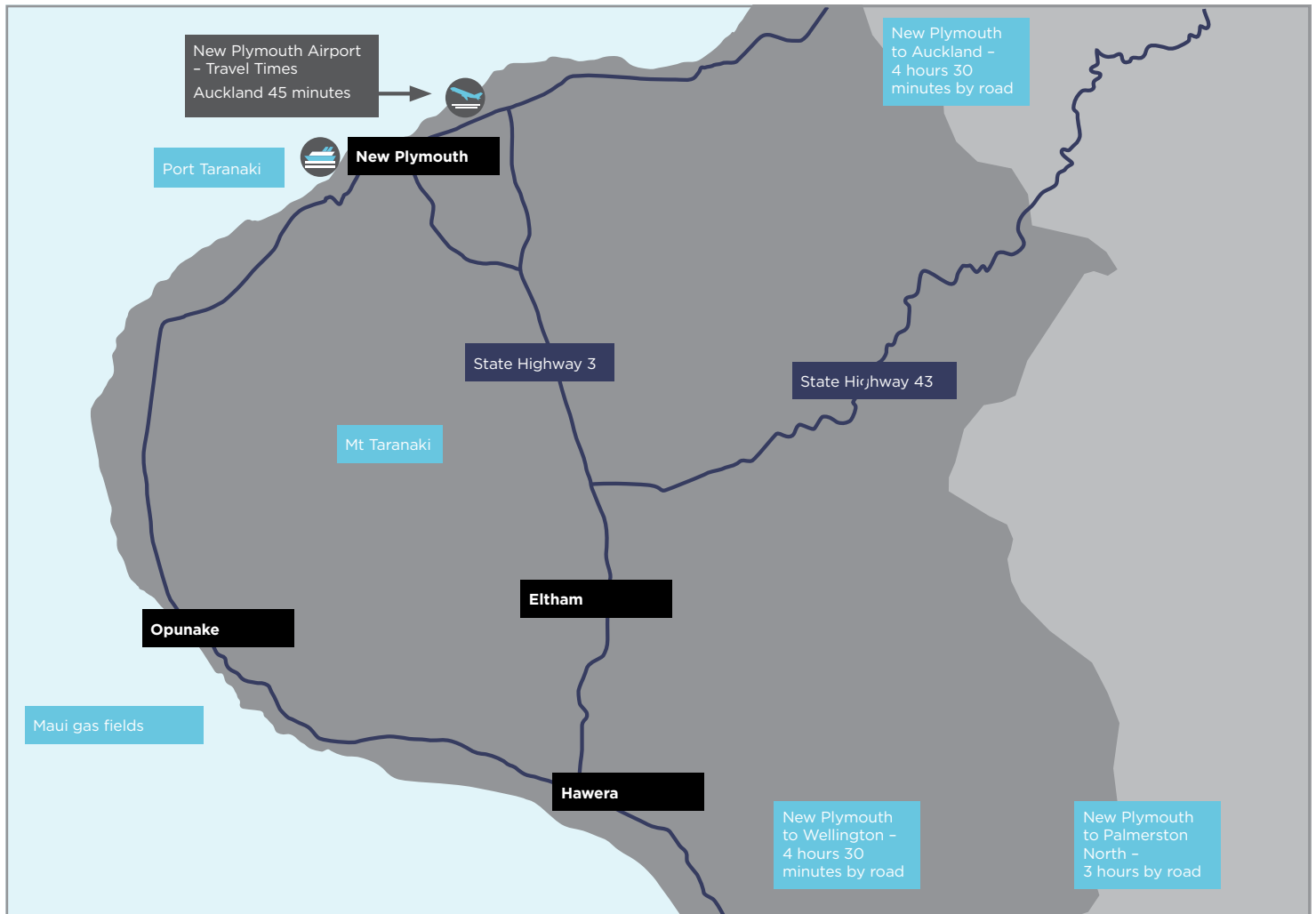
specialist engineering-related support companies

New Zealand's only

West Coast deep-water port

62%

of Taranaki's businesses are based in New Plymouth





CAPITALISING ON NATURAL RESOURCES

Taranaki is home to all of New Zealand's producing oil and gas fields, and its energy sector is geared to take advantage of further discoveries both locally and across the country, and beyond the traditional energy sector.

Further oil and gas discoveries will create investment opportunities in services that support the industry, including engineering and transportation, as well as in the development of chemical by-products to add value downstream.



People

\$106,750 a year

median earnings for mining
(NZ median was \$73,950)

4,340

oil and gas industry employees -
85.6% of New Zealand's total

International

large proportion of workforce
are global oil and gas experts

Specialised industry training

Advanced courses at the Western
Institute of Technology at Taranaki
provide training on process
operations (oil and gas)
and hydrocarbon drilling.



Infrastructure

20

oil and gas fields

2,300

kilometres of pipelines transport
gas from Taranaki

7.7%

of New Zealand's electricity
generation capacity

Taking New Zealand production to the world

Port Taranaki exports the region's
crude oil and methanol production
to international markets and has
capacity for further expansion.



Business

138 million

barrels of oil (New Zealand
oil reserves)

91%

of crude oil produced is exported

10,000

commercial consumers of gas
supplied from Taranaki

Internationally networked sector

Taranaki has already attracted
a number of significant investors
including TAG Oil (Canada), and
OMV EP (Austria).

Taranaki oil and gas – driving investor value

TAG Oil, a Canadian-listed oil and gas company, purchased the Cheal Permit and associated production facilities (in Stratford, Taranaki) in 2009. Success at Cheal led to TAG purchasing an additional three permits, building a new production facility and drilling ten further wells at Cheal and across the Taranaki region. TAG employs 47 full-time equivalent workers maintaining its asset base, with a further 25 based in New Plymouth, and expects to employ the equivalent of 138 full-time workers up to 2018 to support its ongoing development plans in Taranaki.

OMV New Zealand is one of the country's largest hydrocarbon producers and a major explorer in the search for new oil and gas reserves off New Zealand's coast. The company began operating in New Zealand in 1999 after acquiring a share in the Maari oil field. OMV has since expanded into other assets including shares in the Maui and Pohokura gas fields. OMV New Zealand is a subsidiary of OMV EP.

Ballance Agri-Nutrients Limited's ammonia-urea plant at Kapuni, in Taranaki, uses natural gas from the Taranaki fields to produce 150,000 tonnes of ammonia, which is then converted to 260,000 tonnes of urea a year. In the 2015 financial year, Ballance sold 1.75 million tonnes of fertiliser product, representing a turnover of \$893 million.



ADDED-VALUE ANIMAL AND FOOD PRODUCTS

Taranaki is a major food processing centre supported by its dairy, meat and poultry industries. The region has a high concentration of New Zealand's livestock to supply national processing facilities, including Fonterra and Tegel.

The region's secondary processing sector presents opportunities to develop added-value animal by-products and pharmaceuticals associated with the meat and dairy industries, including the development of a bio-extracts industry.

Food additives, pharmaceuticals, enzyme and industrial compounds are being manufactured in world class facilities, including New Zealand's only rendering plant certified for MUI Halal production.



People

\$51,150 a year

median earnings for manufacturing (NZ median is \$46,010)

4,480

food product manufacturing employees

Skilled

workforce with diverse food processing plants in the region

The right skills, ready to hand

Taranaki has a skilled engineering base available to service the sector, which is driven by the historical strength of the food processing and petrochemical industries.



Infrastructure

Available industrial land

for production

8.4%

of New Zealand's dairy cows and over 5% of its pigs

Cost-effective

port enables the import of feed and fertiliser

Resource base for growth

Taranaki's abundance of industrial land and livestock makes it attractive for food processing. Its temperate climate and fertile soils mean livestock is readily available.



Business

Eight

global food processing plants in the region

Productive

average 196 million kilograms of milk solids per year

One of the largest

single-site dairy factories in Australasia

Downstream value opportunities

The region is a food production powerhouse with highly productive livestock and efficient processing infrastructure, creating opportunities in animal by-products.

Leading food businesses growing value in Taranaki

Tegel has a strong history in the Taranaki region. From a small Bell Block poultry processing facility in 1966, Tegel has grown to become Taranaki's second largest private business employer, with a staff of over 700 people. Tegel has expanded beyond the domestic market to become an exporter, supplying product to Australia, UAE, Hong Kong, Japan and across the Pacific.

Fonterra is a world leader in the global dairy industry, collecting 20 billion litres of milk a year. Fonterra has recently completed a \$38 million investment in future-proofing its Whareroa site in Taranaki and a \$32 million expansion of its cheese facilities in Eltham.

Taranaki Bio Extracts (TBE), established in 2002, manufactures and supplies natural ingredients and products made from New Zealand beef and beef bone for the domestic and international food manufacturing and foodservice industries. TBE is a 50/50 joint venture company between Taranaki By Products Ltd (part of the SBT Group) and ANZCO Foods Limited.



GROWTH IN ENGINEERING

With 150 years of local engineering history supporting the global oil and gas and food production industries, Taranaki is internationally recognised for innovation, sophistication and cost-effectiveness in engineering.

Taranaki engineers have tackled some of the world's most logistically and technically challenging projects, including accommodation modules for the international oil and gas offshore industry, pressure vessels and complex piping systems. Several manufacturing plants for the petrochemical sector have also been developed.



People

\$51,150 a year

median earnings for manufacturing in 2014 (NZ median was \$46,010)

2,430

employees in metal products, machinery and equipment manufacturing sectors

Diverse workforce

derived from the international petrochemicals industry and national food processing

Future-proofed skills

Taranaki has an apprenticeship, training and mentoring initiative which supports the sector, including through the Engineering Taranaki Consortium apprentice scheme.



Infrastructure

\$50/m²

average cost of industrial land (Bell Block)

Robust

oil and gas installations are built to exceptionally high engineering and seismic standards

Connected

to international markets through Port Taranaki

Fast lane for heavy lifting

Taranaki's transport services are capable of moving loads of over 600 tonnes from the industrial heart of New Plymouth to Port Taranaki to deliver payloads to national and international markets.



Business

200

specialist engineering-related support companies

4.2%

of national engineering GDP

Scaleable

employment concentrated in large firms

Attractive foundation for growth

International firms located in Taranaki include Fitzroy Engineering (Dialog Group of Malaysia) and WorleyParsons (Australia).

Engineering success, built in Taranaki

Fitzroy Engineering is one of New Zealand's largest heavy fabrication and multi-disciplined engineering companies and has forged its reputation from an ability to successfully deliver complex engineering scopes. The company is a division of Dialog Group Berhad, Malaysia. Fitzroy's recent projects have involved the management, design, construction and shipping of an oil recycling facility for Northern Oil Refineries in Australia, and the construction, fit-out and installation of a highly technical sub-sea restaurant for the Maldives.

For over 28 years, **Amtec Engineering** and its associate company Drilling Fluid Equipment Ltd (DFE) have been manufacturing and supplying drilling fluid processing equipment, pressure vessels and other equipment to companies around the world. Amtec has controlled on-site projects and supplied experienced personnel to maintenance shutdowns and plant upgrades all over New Zealand. Notable clients include Methanex New Zealand, Ballance Agri-Nutrients, Fonterra and most of the major companies involved in the oil and gas sector in New Zealand and around the world.

WHO HAS INVESTED IN TARANAKI?



ANZCO Foods (Japan, New Zealand)

ANZCO Foods, one of New Zealand's largest exporters, owns a processing plant and manufacturing facility at Eltham in Taranaki. The site takes advantage of the rich and productive farming land of the Taranaki and Manawatu regions, which allow Riverlands Angus cattle to graze and be grass-reared in a free-range manner, creating nutritious, high-quality and high-value beef. ANZCO Foods also operates a manufacturing plant in Waitara which produces a range of small goods. As well as its meat processing business, ANZCO Foods also owns 50 percent of nutraceutical company Taranaki Bio Extracts.

ANZCO Foods has sales of \$1.5 billion and more than 3,000 employees worldwide. It is jointly owned by Itoham Foods, Nippon Suisan Kaisha, and the directors and management of ANZCO Foods.



Methanex (Canada)

Canadian-owned Methanex New Zealand Limited is the country's only methanol manufacturer. It operates three production facilities, two at its Motunui site and one in the Waitara Valley, with the capacity to produce up to 2.4 million tonnes of methanol annually, depending on gas composition. About 95 percent of production is exported to the Asia Pacific region, making the company a leading exporter for Port Taranaki and New Zealand.

Methanex has a long history in Taranaki and well-established relationships with the community, businesses and other stakeholders, including support from a skilled pool of local contractors.



WorleyParsons (Australia)

WorleyParsons is a global professional services firm listed on the ASX, providing expertise in engineering, procurement and construction and offering a wide range of consulting and advisory services. It covers the full lifecycle, from creating new assets to sustaining and enhancing operating assets, in the hydrocarbon, mineral, metals, chemicals and infrastructure sectors.

WorleyParsons New Zealand is headquartered in New Plymouth and combines the WorleyParsons global network with over 40 years' worth of local track record servicing industrial customers in New Zealand. The New Plymouth office is the centre of a six-office national network.



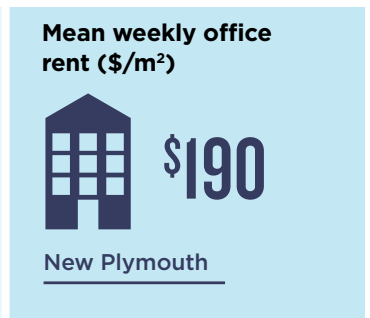
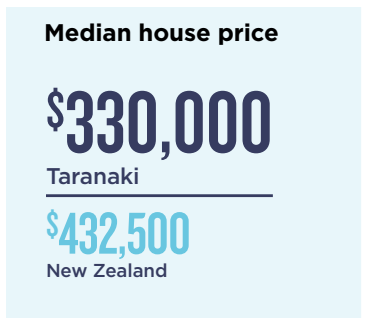
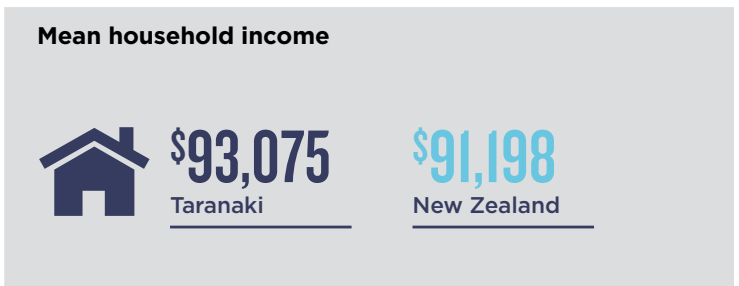
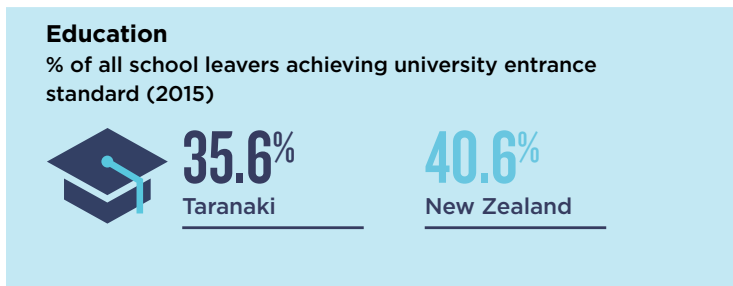
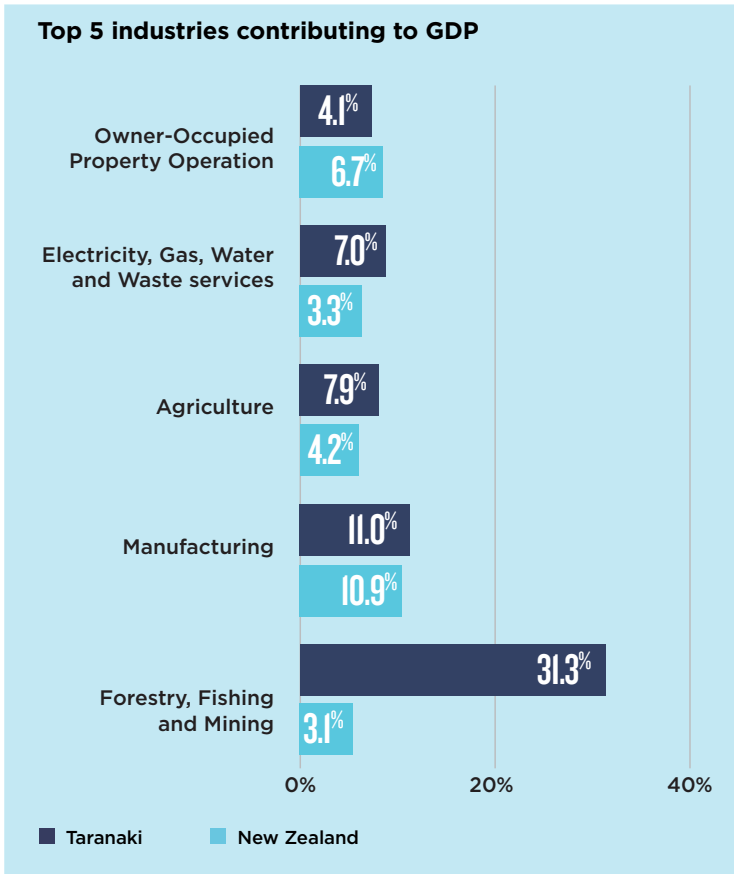
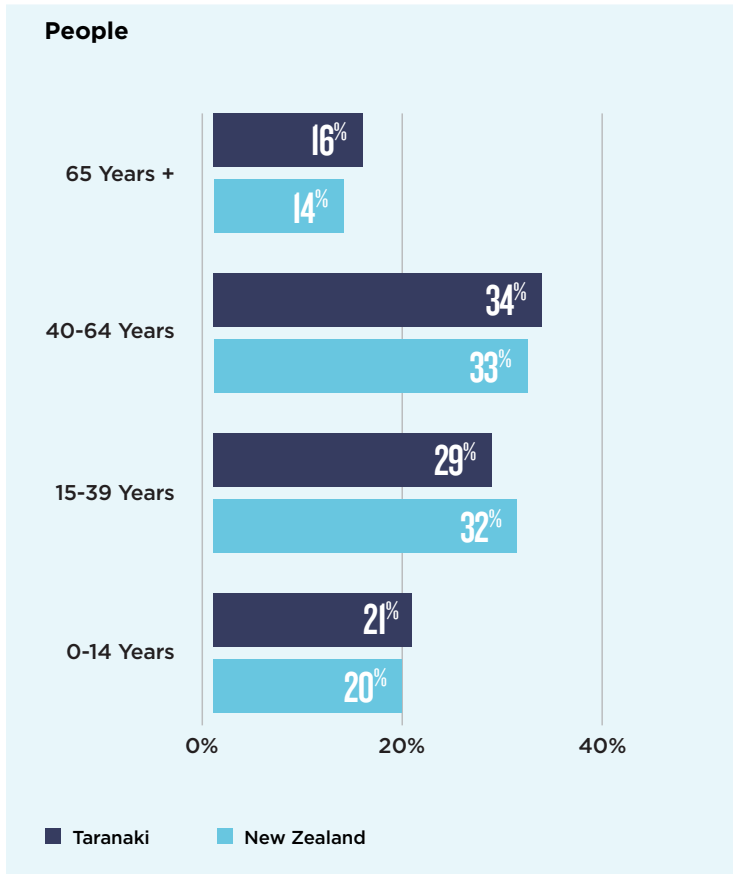
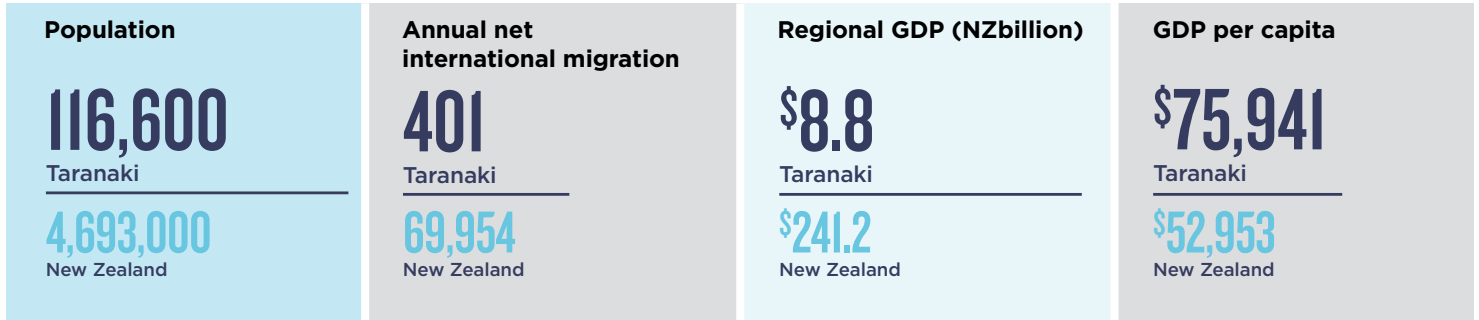
Lonza (Switzerland)

Founded in 1897, Lonza is a global company that supplies the pharmaceutical, biotech and specialty ingredients markets, and through its acquisition of Zelam in 2015 now has a New Zealand footprint.

Drawing on more than a century of experience, Lonza applies its biotech expertise and fine chemical know-how to create customer solutions that contribute to healthier living and that enhance the overall quality of life.

Zelam markets products such as insecticides and herbicides for crop protection as well as chemicals to prevent the rot and decay in timber. Lonza intends to develop new international markets for these products developed and tested in Taranaki.

HOW TARANAKI COMPARES



Venture Taranaki is an economic development founded and principally funded by the New Plymouth District Council.

Venture Taranaki is also supported in its work by the South Taranaki District Council, Stratford District Council, Taranaki Electricity Trust, TSB Community Trust, New Zealand Trade and Enterprise, Callaghan Innovation, Business Mentors New Zealand, and many private sector organisations.

Economic development strategy

Venture Taranaki's economic development team works with individuals, businesses, clusters and industries to grow the Taranaki economy, through:

- Building on the region's strengths and frontier opportunities aligned with rich natural resources in primary production and oil and gas production
- Capitalising on Taranaki's expertise and innovation in engineering and manufacturing, regional natural advantages (including ease of transport access to Australia), existing infrastructure, and desirability for employment and tourism.

How we help investors

Venture Taranaki assists investors by:

- Offering a free, commercially neutral point of contact for investors to discuss ideas and obtain information and referrals
- Providing free business start-up clinics, networking events, information, and assistance with R&D funding
- Providing entry to training/capability building grants, exporter and industry cluster groups such as oil and gas and engineering
- Enabling access to business mentors, feasibility studies and regional economic market intelligence
- Drawing on extensive regional intelligence products and services.



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Region-led initiatives

Taranaki has an extensive record of attracting international investment. From global oil and gas companies to niche businesses. Venture Taranaki is used by investors as a main point of initial contact to discuss assessment criteria, regional intelligence requirements, supply chain linkages, infrastructure and referrals to assist decision making.

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