





Cook Islands Investment Corporation

**2018 APN Conference, Conrad Seoul, Korea
Monday, 5 November 2018**

Overview of recent developments of Cook Island's PPP institution

Agenda

- Who is CIIC?
- Recent PPP Policy Developments
- Potential PPP: Vaikapuangi Project
- Recap

Cook Islands Investment Corporation

- The Cook Islands has experienced sustained steady economic growth driven by continued growth in tourism for more than a decade. Coupled with this growth the government has undertaken an ambitious infrastructure development program.
- A statutory entity of the Cook Islands Government, the Cook Islands Investment Corporation (CIIC), was established under CIIC Act 1998
- CIIC, management of;
 - a) statutory entities, and
 - b) Crown assets

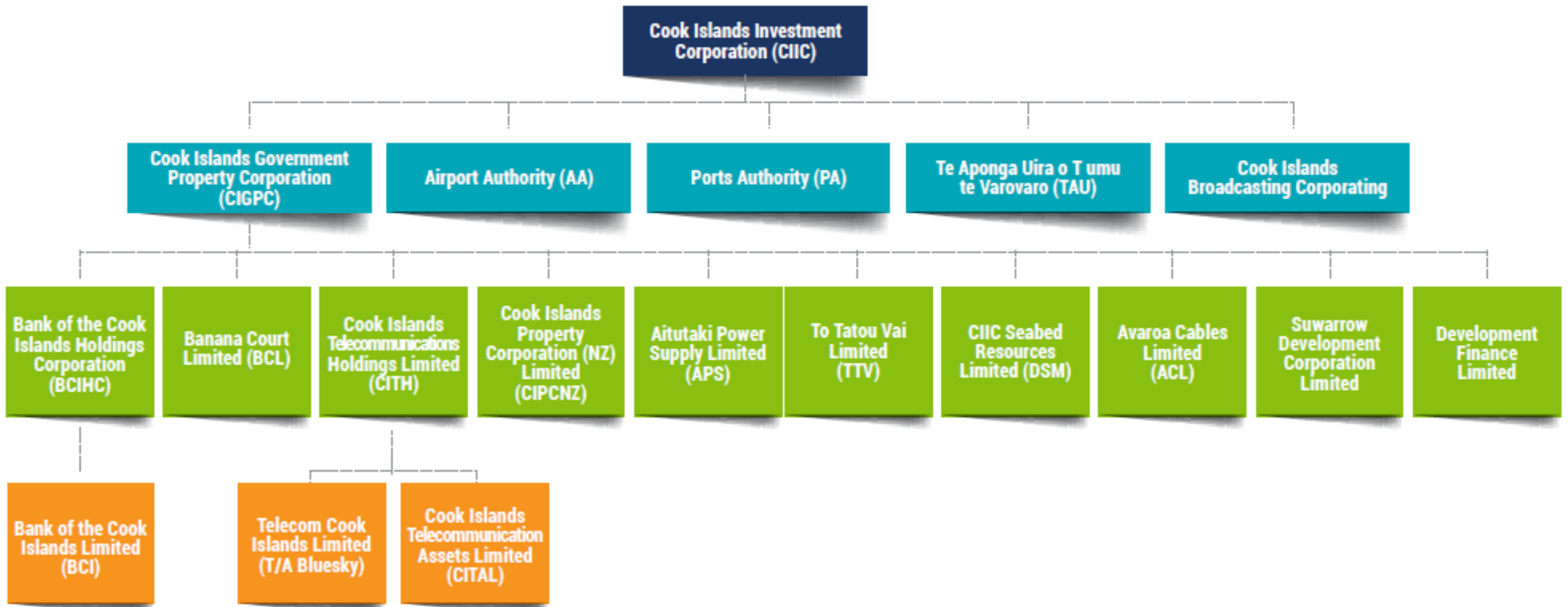
CIIC's vision

Ta'anga'anga e te akono tau tikai i te au apinga puapinga a te katoatoa no te akameitaki'anga i te ora'anga o te iti tangata Kuki Airani.

"Effective and efficient public assets that improve the wellbeing of Cook Islands people."

Lead the governance, growth and development of crown enterprises in the effective and efficient delivery of services to the public.

Lead the effective development and maintenance management of crown assets thus contributing towards ensuring the sustainable improvement of standard of living for all Cook Islanders.



Asset Management



Special Projects Unit
\$40-80m



Government Properties
\$40m



Public Lands
\$20m



State Housing
<\$5m

Infrastructure Committee

Marine Resources

Asset Management

State Owned Enterprises



Water & Sanitation (TTV)
\$100-200m



Power (TAU & APS)
\$100m



Banking (BCI)
\$50m



Airports
\$40m



Ports
\$30m



Submarine Cable
\$25m



Seabed Mineral JV
<\$5m

Policy & Legislation
Human Capital
ICT
Finance

- urgent priority
- medium priority
- lower priority

PPP Policy Development

- The Government of the Cook Islands (GCI) determined that it wished to explore opportunities to expand its current level of contracting out and to identify opportunities to develop public private partnerships (PPPs).
- A Terms of Reference was agreed in early 2018 with the primary government stakeholders being Cook Islands Investment Corporation (CIIC), the SOE holding company, Infrastructure Cook Islands (ICI) and the Ministry of Finance and Economic Management (MFEM).
- Technical Assistance was secured and contractor engaged with the assistance of ADB in early 2018, with the engagement recently concluded in October 2018.

PPP Policy Development

- Workstreams:
 - Development of a whole of Government PPP policy
 - Training relevant Government staff on various PPP contracting and operating modalities
 - Review of ClG medium term contracting/ outsourcing requirements
 - Review of existing regulatory relevant to this policy and formulation of recommendations on amendments needed
 - Presentations to local and regional stakeholders
 - Identification of a pipeline of potential PPPs

Potential PPP: Centralised Government Office Complex

- The Cook Islands Government (CIG) seeks to improve the delivery of services to the public by providing the infrastructure that will support the medium term operational requirements and foreseeable changes in the long term.
- Purpose: Centralise Ministries/Agencies in a publicly owned, fit-for-purpose and adaptable facility that will subsequently;
 - Improve inter-government collaboration and networking
 - Boost staff productivity and enhance delivery of public services over the next 50 years
 - Promote good governance
 - Demonstrate value for money by rationalising use of resources
 - Reduce on-going operational and maintenance costs
 - Remove accessibility barriers
 - Improve our resilience to climate change and natural disasters
 - Promote healthy work environments

Potential PPP: Centralised Government Office Complex

- Challenges
 - local market limitations
 - who will pay – current or future generations, user pays, etc
- Next steps
 - value analysis on PPP scenarios
 - possible contracting arrangements



Q&A