



OC210071

02 March 2021



Privacy

Dear  Privacy

I refer to your request dated 19 January 2020, pursuant to the Official Information Act 1982, seeking the following information:

1. A list of all companies and individuals who were funded under the ETC
2. What was the exact criteria they had to meet to receive to meet this funding?

The following documents or information fall within the scope of your request and is set out below:

1. *A list of all companies and individuals who were funded under the ETC*

The ETC has provided funding to the following operators:

- Air Chathams
- Golden Bay Air
- Sounds Air
- Entrada (trading as InterCity)
- Go Kiwi Shuttles
- The Seafarers Welfare Board of New Zealand (SWBNZ)
- The Board of Airline Representatives New Zealand (BARNZ)
- Fullers360¹

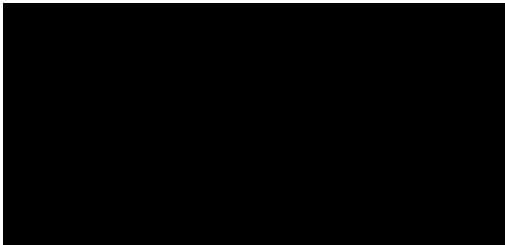
¹ Fullers 360 received funding during alert level 3 and 4 but does not currently receive funding from the ETC

2. *What was the exact criteria they had to meet to receive to meet this funding?*

The paper which Cabinet considered when it established the scheme, and the Cabinet Minute, can be found here: [SE15-Minute-and-paper-DEV-20-MIN-0071-COVID-19-Response-Essential-Transport-Connectivity-6-May-2020.pdf](#). The framework Cabinet considered with the paper is also attached.

The Ministry publishes our Official Information Act responses and the information contained in our reply to you will be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

Yours sincerely



Privacy

Brent Lewers
Manager, Transport Connectivity

COVID-19 Response: Support for Transport Operators

This document sets out our proposed framework for responding to requests from transport sector operators for additional support. Our focus is on maintaining essential transport connectivity, rather than supporting individual businesses to survive.

Principles

Step 1

Eligibility for further consideration

Essential Transport Connectivity - Aviation

1. **Airports and airlines**
The airport or airline supports New Zealand to achieve regional connectivity and is key to the recovery of domestic and/or international aviation.
2. **Other aviation entities**
The service is essential to the aviation sector. Without it, the operation and recovery of the aviation system would be significantly impeded.

Essential Transport Connectivity - General

1. **Economic prosperity:** The service supports economic activity, including:
 - maintaining the core transport network to support response and an efficient recovery; and
 - preserving the supply chain for movement of critical goods for internal (including remote areas) and export markets.
 2. **Inclusive access:** The service enables all people to access social and economic opportunities, such as work, education and healthcare. If the service did not exist, there would be significantly negative outcomes, particularly for:
 - vulnerable people, including people on lower incomes and those without access to private vehicles
 - people living in geographically-isolated communities.
 3. **Resilience and security:** The service is critical for emergency and resilience purposes.
- AND**
- i. There is no substitutable service now or in the short term.
 - ii. If the service fails, there is low probability of a market resolution within a reasonable timeframe.

Step 2

Financial Criteria

The service provider has:

- made effective use of the support measures available under the Government’s COVID-19 Economic Response Package
- taken all available and reasonable operational and commercial measures to ride-out the impact of COVID-19
- taken all available opportunities to obtain non-Crown funding (e.g. banks, investors, shareholders (including local government shareholders)) to ride-out the impact of COVID-19
- in considering “reasonable” internal and external business strategies, taken into account the essential services, capabilities and capacity needed both during the lockdown and other periods of restricted activity, and to enable it to recover operation for the likely “new normal” (i.e. right-sized)

Step 3

Potential Interventions

Economically Significant Business Funding Scheme

Target: Subset of businesses > \$50m

Treasury lead with MOT input

Support for businesses that fit into this category are managed by Treasury’s new Economically Significant Business Funding Unit. Most businesses are expected to be very large, i.e. >\$200m.

Potential Measures for Medium-sized Businesses

Target: Businesses \$20m–200m

Treasury lead with MOT input

Treasury is developing options for financial support for medium-sized business, e.g. businesses that do not qualify as “economically significant” and for which the Business Finance Guarantee is not enough (maximum loan \$500k).

Transport Sector-specific Interventions

Target: Essential transport services for which other measures unsuitable

MOT lead with Treasury input

In some cases transport sector-specific interventions are likely to be appropriate where a service meets the Principles for essential transport connectivity and the Financial Criteria, but for which general measures are not appropriate. We propose a combination of

- **Targeted grant funding**, e.g. to maintain transport essential services where it is uneconomical to do so because of movement and physical-distance restrictions; and
- **Loans on commercial terms**, e.g. where a transport service will be essential to the recovery and is viable longer term, but requires support to ride out the economic impact of COVID-19 until “normal” operations resume.

The nature of intervention will need to be assessed on a case-by-case basis. This will take into account the ownership interests (e.g. Crown or regional). Any Government interventions will include provisions around how and when that support would end.