

December 2008

## **Domestic sea freight development fund 2008/09 funding decisions questions and answers**

### **What is the domestic sea freight development fund?**

The fund is contestable and funding proposals that best contribute to the aims of *Sea change: Transforming coastal shipping in New Zealand*<sup>1</sup> and the New Zealand Transport Strategy 2008 may be eligible for funding. The NZ Transport Agency (NZTA) has made \$36 million of funding support available for domestic sea freight initiatives over the next four years with \$6 million in 2008/09 and another \$30 million for the subsequent three years.

### **Why has it been established?**

Coastal shipping has an important role to play in an integrated and resilient transport network. Demand for road transport has been increasing faster than the growth in population placing pressure on road networks. Total freight movements on the transport system are expected to more than double by 2040. To meet this growing freight demand, investment in alternative transport modes including coastal shipping is important.

### **Why hasn't the full \$6 million in funding available for 2008/09 been allocated?**

The NZTA is vigilant about how it allocates its funding and has developed rigorous funding assessment processes that applications must meet to qualify for funding. Just under a third of applications from the 2008/09 Domestic sea freight funding round have been deferred pending further information and could potentially be in line for funding at some point in the future. A lot of the information required to assess the application that have been deferred is not currently available. A proposed study should help rectify this situation.

### **What happens to 2008/09 funding that has not been allocated?**

Decisions on how this funding will be used are expected to be made early in the New Year.

### **What lessons have been learned from the 2008/09 funding round?**

This is the first round of a new form of funding and as such it has been a learning experience for both the NZTA and applicants. The experienced gained will benefit both parties in future funding rounds.

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### **What challenges did the funding assessment panel face when considering applications?**

It became clear there were information gaps about the domestic sea freight sector and this lack of information presented some challenges. This has meant that some 2008/09 funding applications were deferred pending further information. To bridge this knowledge gap, studies will be funded from the 2008/09 funding. The subsequent information gained will help inform future applications and assist the NZTA when it assesses those applications.

### **Can applicants who were not funded find out why their applications were not approved?**

The NZTA is happy to discuss with applicants the reasons why their proposals were declined.

### **What other opportunities will there be to apply for funding?**

The next round – effectively the first funding round for 2009/10 is being held in February 2009.

### **What types of projects are eligible for funding?**

Among the types of applications that may be eligible for funding are:

- Domestic sea freight studies and investigations
- New coastal shipping operations within and between regions
- New coastal shipping infrastructure
- Improvements to existing services

### **Who can apply?**

Applications from New Zealand incorporated public and private sector organisations. This includes, but is not limited to, port companies and shipping operators, and includes approved organisations.

### **Where do I get the information needed to make a funding application or find out more about this fund?**

The guide and forms are available at <http://www.landtransport.govt.nz/sea-freight/>  
You can also contact the Domestic Sea Freight Development Fund Coordinator, NZ Transport Agency, Private Bag 6995 Wellington 6141, or telephone 04 894 6225 or e-mail [seafreight@nzta.govt.nz](mailto:seafreight@nzta.govt.nz)