

The Northland Innovation Centre (NIC)
8 Marsden Bay Drive
One Tree Point, 0178
Whangarei, New Zealand

Productivity Commission NZ

Wellington 6160

Whangarei: 24. April 2019

“Future of Transport” - Smart Transport hub and provincial urban development

Kia Ora,

We strongly believe that your progressive scenario with high technology adoption is the scenario NZ should aim for. This will help to future proof our economy by right skilling talent into relevant digital jobs. With the advent of the internet, redundant undersea cables and ultrafast broadband, even provincial towns like Whangarei can play in the top league with global tech companies. We think that by activating more local talent and NEETS from technology consumers to technology developers will contribute to better self-esteem, reduce our horrible youth suicidal rate and can assist with good work life balance. And at the same time raise the economic output. This can then be used for better education, health and infrastructural initiatives for the benefit of the whole population.

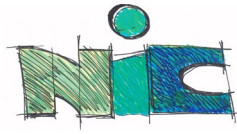
My organisation has developed a [digital strategy for Northland](#) with the input of many local stakeholders. We regularly work with local talent and encourage them to get involved via our www.Northland-Tech.nz cluster.

We find one of the key drivers of economic and social wealth is provide fulfilling jobs. Our belief is that digital transformation will enable more people into better earning roles and particularly allow Maori (35% of Northlanders are of Maori descent) to stay on their stunning land in Tai Tokerau.

To that end we are working on the [Move Whangarei](#) initiative as one approach to bring high value jobs to a traditionally low socio-economic region. The value proposition for a Smart Transport Hub in Whangarei is that provincial NZ towns are growing on the back of Auckland. In Whangarei over 10,000 new dwellings over the next decade, a major upgrade of our hospital, a new entertainment precinct and the Hundertwasser art centre will put a huge growth strain on the city. If we don't develop new transport concepts the four arterial roads running into Whangarei will create a Tauranga/ Auckland like traffic sclerosis. This is not what the people of Whangarei want.

A group of business people started over a year ago with a concept to bring a multimodal transport approach to Whangarei and address these key urban development and transport challenges. The concept is to decarbonize transport starting with local organisations' vehicle fleets and exploring

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autonomous shuttle use cases. With Auckland based OHMIO and ZF-IBEO (the fourth biggest global automotive supplier from Europe) we are working on establishing an autonomous shuttle service from aged care facilities to Whangarei's city centre to allow the elderly to shop, visit friends, get medical attention and enjoy a world class mobility-as-a-service solution. Furthermore, it is intended to connect new car parks and the entertainment precinct and hospital & polytech with the city centre utilising existing infrastructure in a clever way. We are working with global transport experts and Kiwis from overseas including Dave Ferguson from Nuro. Nuro has been running an autonomous EV/AV last mile services in Phoenix, Arizona for Kroger Foods since December. They have received over USD 950 million from Softbank's Vision Fund to expand their offerings, including overseas. Nuro is considering to join the phased, multimodal smart transport demonstration in Whangarei later this year. If that first phase goes well, the intent is to expand and potentially design and manufacture urban autonomous, carbon-zero, vehicles in Northland. This would have a huge, positive socio-economic impact on the region.

Our team works with Kit Carlier from Whangarei who has designed NZ's first electric ferry which will run from Wellington downtown to Eastbourne later this year. With Hiringa Energy we are working on decarbonising heavy commercial fleets utilising green hydrogen.

We had Professor Myles Allen, lead author of October's IPCC report, presenting on his views on a carbon zero economy two weeks ago. As a former colleague of Mr Allen, we agreed that smart transport and smart farming can have a big impact on NZ's Greenhouse Gas emissions. The accumulated knowledge around these opportunities can turn out to be a great export potential for NZ and show global leadership on issues like sustainable food & water, sustainable building, renewable energy and sustainable transport

We are happy to discuss some of these issues in more detail and provide input into your valuable scenario analysis.

We look forward to hearing from you or when you are next in Tai Tokerau.

Nga mihi nui,

A handwritten signature in blue ink, appearing to read 'M. Knoche', is written over a light blue rectangular background.

Martin Knoche

CEO

The Northland Innovation Centre