Eastland
Port

Twin Berth Stage 2

Unlocking Tairawhiti’s long term growth

RESOURCE CONSENT
APPLICATION BRIEF
PREPARED SEPTEMBER 2022

We have reached capacity

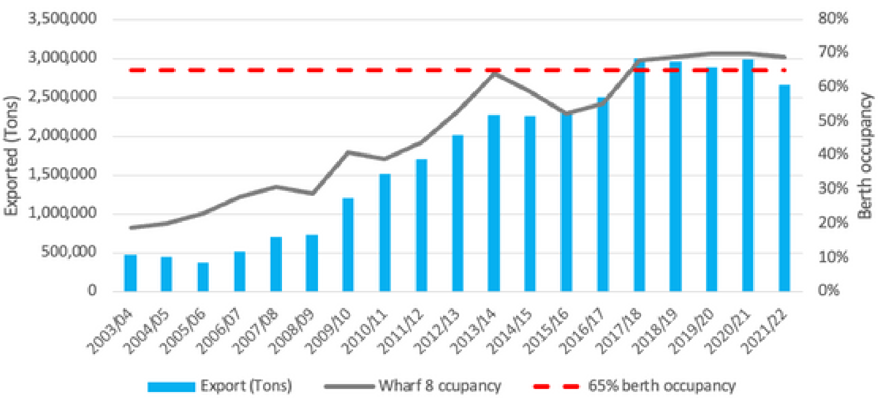
Eastland Port is New Zealand's second largest log export port with up to 3.0m tonnes of forestry product leaving Tairāwhiti every year via the port but we have reached capacity and need to upgrade our aging infrastructure.

With only one log vessel capable wharf, we have found our export capacity to be 3.0m tonnes (or JAS) per annum. This capacity was reached in 2018, however Tairāwhiti's wood resource harvest is expected to peak at approximately 4.2m JAS before 2030. We need to build a second log capable wharf so these volumes can get to market and reduce the amount of vessels queuing in Tūranganui-a-Kiwa waiting for a berth.

Vessels queuing in Tūranganui-a-Kiwa awaiting berth space at Eastland Port

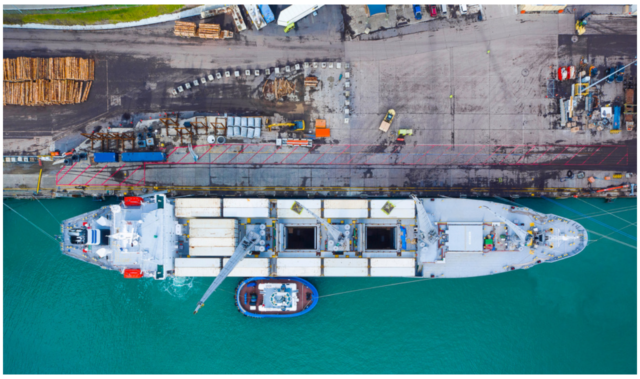
We want to provide more freight options for Tairāwhiti

Alongside the increased log export trade, there is the potential for other products to be exported from the port in the future by container. The project will give Tairāwhiti the opportunity to begin coastal container trade and future-proof the port for other opportunities that may come. As well as forecast growth in kiwifruit exports, Tairāwhiti has other products emerging such as apples and is seeing increases in wood processing volumes from the region.



The Moana Chief, one of the coastal container ships that could call to Eastland Port

A large volume of kiwifruit and apples from Tairāwhiti leaves the region by truck currently for export via Napier Port or Port of Tauranga. There is an opportunity for these to go directly onto a coastal container vessel in Tairāwhiti. As well as the existing volume, there is potential for over 5,000 containers to be exported directly from Eastland Port annually. This would have significant environmental benefits with coastal container freight emissions being <10% of its road freight equivalent and would remove trucks off our roads.



Twin Berth Stage Two project objectives

The key objectives of the project are to:

- Provide necessary upgrades to ageing port infrastructure that will allow for the port to be suitably resilient to natural hazards
- Increase the export capacity to cater to forecast export wood resource volumes
- Provide future opportunities for regional exports and other activities from Eastland Port

When it is completed the port will be able to berth two vessels of 185m and 200m long safely in the harbour at the same time. At the moment the port can only berth vessels of 145 and 180m long safely. The project proposes to accommodate the regions forecast log volumes, enable container trade to begin, and future-proof the port for Tairāwhiti.

At 70% berth occupancy, we are seeing extended queues of vessels. The Twin Berth project would release this allowing for a more efficient and cost-effective operation.

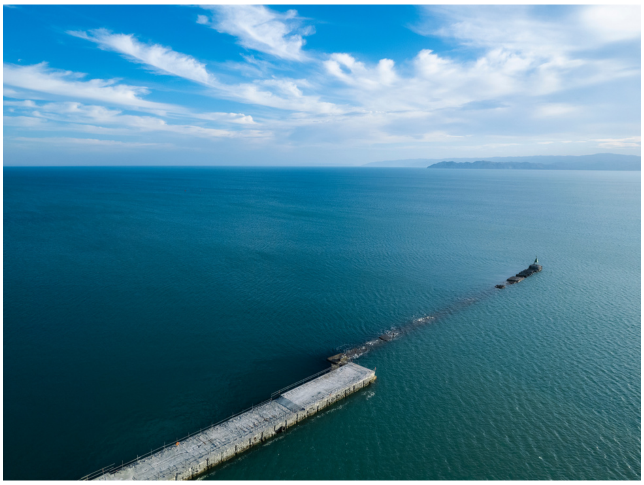
Our current challenges

The port is currently facing several challenges due in large part to this growth, including:

- Aged and damaged assets that require replacement or substantial upgrading
- More frequent and intense weather events causing increased levels of supply chain disruptions
- Water depth limitations in the Port Navigation Channel, Vessel Turning Basin and berth pockets of the outer Wharves 7 and 8 (this restricts the vessels that can use the port)
- Increasing vessel sizes in the future that need to be accommodated
- Very high levels of utilisation of current wharf and log yard facilities resulting in prolonged ship queuing and supply chain disruptions to Tairāwhiti primary industry
- Forecast increases in export forestry volumes
- Restricted ability to provide for other forms of shipping and trade (both import and export) from Tairāwhiti.

Aged and damaged key assets

Eastland Port has several key assets that are in poor or fair condition, and/or past their design lives. Some of our assets date back to 1880 (Inner Breakwater) and most of the current port layout was built in the 1920's (River Training Wall and Slipway). The age and condition of these assets are causing us and our customers disruptions which we need to fix.
Our primary logging berth Wharf 8 has been closed several times in recent years for repair which brings industry to a near standstill, we want to provide supply chain redundancy with a second log ship berth.



The Outer Breakwater is over 100 years old and in need of repair. It is included in the Twin Berth Stage 2 application.

More frequent and intense weather events

Weather events preventing shipping are causing significant disruptions to the industry. The impact of weather has become more evident as we have reached capacity and there is no supply chain redundancy. When disruption occurs, it often flows all the way back up through the supply chain to the forestry harvesting crews on the hillside.

On average, weather disruptions prevent a vessel from entering the harbour 17% per annum but has ranged from 13-20%. With the effects of climate change becoming more frequent and intense, an increased level of redundancy is needed in the regional export supply chain.

Water depth limitations

Currently, only select vessels can load to full capacity at the port due to the safety restrictions imposed by the limited depths through various parts of the harbour. Bringing part loaded vessels into the harbour is also a restricted operation, as well as when a vessel can leave.
This results in regular periods of downtime waiting for the high tide for vessels to exit the harbour with full or larger loads. It also restricts the periods of time when shipping operations can bring vessels into the harbour.
These safety restrictions affect Eastland Port's customers' ability to run safe, reliable, shipping operations out of Tairāwhiti.

Increase in vessel sizes

International shipping trends show vessels are continuing to increase in size and capability to take advantage of economies of scale. Eastland Port needs to keep up with these trends and accommodate the largest vessels it can now and into the future.

Most vessels visiting Eastland Port are handymax sized (150-200m long with a draft of between 11-12m and carry between 35,000-50,000t). We want to enable these handymax vessels to take full loads and enable larger Supramax sized vessels to visit Eastland (180-200m Length On Arrival (LOA) with a draft of between 12-13m and carrying between 50,000-60,000t).

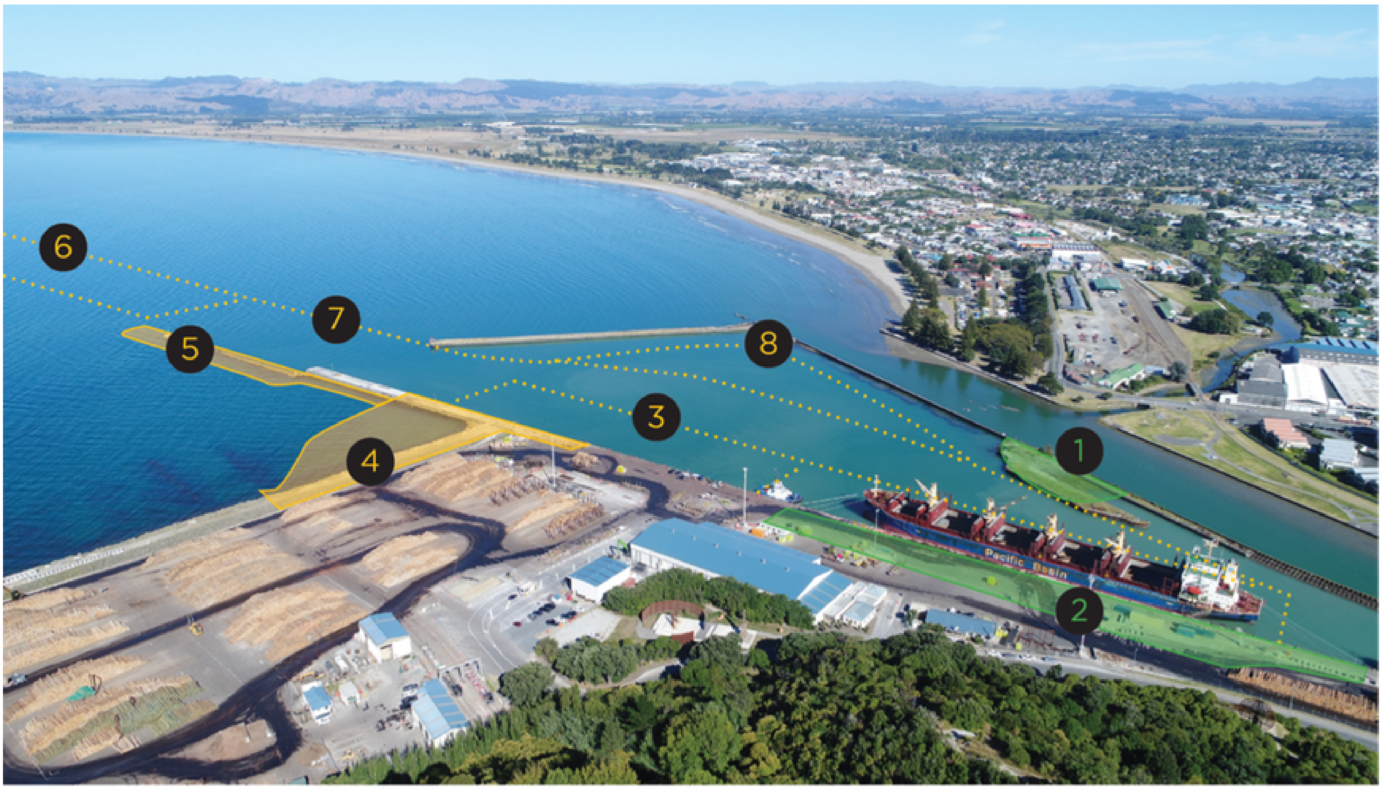
With this increase in ship dimensions, the port needs to upgrade its infrastructure to withstand the higher loads placed upon its wharf structures during berthing and while moored alongside, and increase the dredge depth to allow larger loads in these vessels.

Our proposal

We have done what we can with the infrastructure we have and now it's time to expand the port. Our plans have been split into two stages. The first stage, involving the redevelopment of Wharves 6 and 7 and the former slipway, was consented in December 2020 and construction work is underway with the Wharf 7 Rebuild.

The Stage Two resource consent application involves:

- The extension of the existing Wharf 8 and adjacent reclamation of the seafloor;
- Repairing and upgrading of the existing breakwater;
- Capital dredging to deepen the turning basin and
- Channels to accommodate larger vessel loads; and
- Upgrades to the stormwater collection and treatment facilities across the Southern Log Yard; and
- Replacement of the existing Port coastal occupation permit that is due to expire in 2026.



Stage one

1. Slipway reconfiguration
2. Wharf 7 rebuild 200 LOA, -12.5m

Stage two

3. Wharf 8 extension 185 LOA, -11.1m CD
4. 1ha reclamation
5. Breakwater repairs
6. Outer channel -11.6m CD
7. Inner channel -11.1m CD
8. Turning basin -10.6m CD

Eastland Port is essential to Tairāwhiti

23% of the Tairāwhiti Gross Regional Product relies on the port. Eastland Port is at the heart of Tairāwhiti-Gisborne's $2.3 billion economy. The port's main cargo trade are logs ($536m and 9.7% of the total wood and wood products for NZ), kiwifruit ($30m and 0.8% of the total fruit exports in NZ), and squash ($18m and 3.7% of the total vegetable exports for NZ).

The port is a significant contributor to the local economy, with more than 200 people employed on-site and a further 5,630 people, or 26% of the full and part-time jobs across the region, working in associated industries primarily forestry and horticulture.

While the port primarily services Tairāwhiti's export economy, there is also a growing tourism industry using the port, with increasing numbers of cruise liners booked to call at the port since the easing of COVID-19 restrictions.
The continued efficient operation and development of the port is essential to employment and prosperity across the region of Tairāwhiti. It is crucial that the port infrastructure is robust and reliable, that can accommodate anticipated future growth and adapt to support the community and New Zealand's changing needs.

Twin Berth Stage 2 application

As part of preparing the application for our Twin Berth Stage 2 consents, we've completed a comprehensive suite of assessments and reports that cover all environmental, social, economic and cultural aspects of the proposed works.

The full application and all its supporting documentation can be found online at eastlandport.nz
If you'd like to know more specifically on this subject, you'll find more in these supporting reports and documents:

- Twin Berth Stage 2 Assessment of Environmental Effects
- Appendix D Alternatives Assessment Report
- Appendix E Project Design Justification Report

Further information

If you have any queries, would like hard copies of the reports, or wish to talk to us about our application, please contact:

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