



Cook Islands Investment Corporation



Te au Akanoonoo'anga no te
Manakonako'anga o te taokotai'anga
STATEMENT OF CORPORATE INTENT
2021 - 2025

*“Te au apinga puapinga te ka tauturu i te iti-tangata Kuki Airani”
“Quality assets that serve the Cook Islands people”*

All photos credited to: Airport Authority (Project Management Unit), Amber Numanga, Bank of the Cook Islands, Cook Islands News, Creators Hype, Dan-Olaf Rasmussen, Graeme Jefferies, Maria Tuoro, Maxine Kokaua, Te Aponga Uira, Te Mana Uira o Araura, Tokerau Jim.

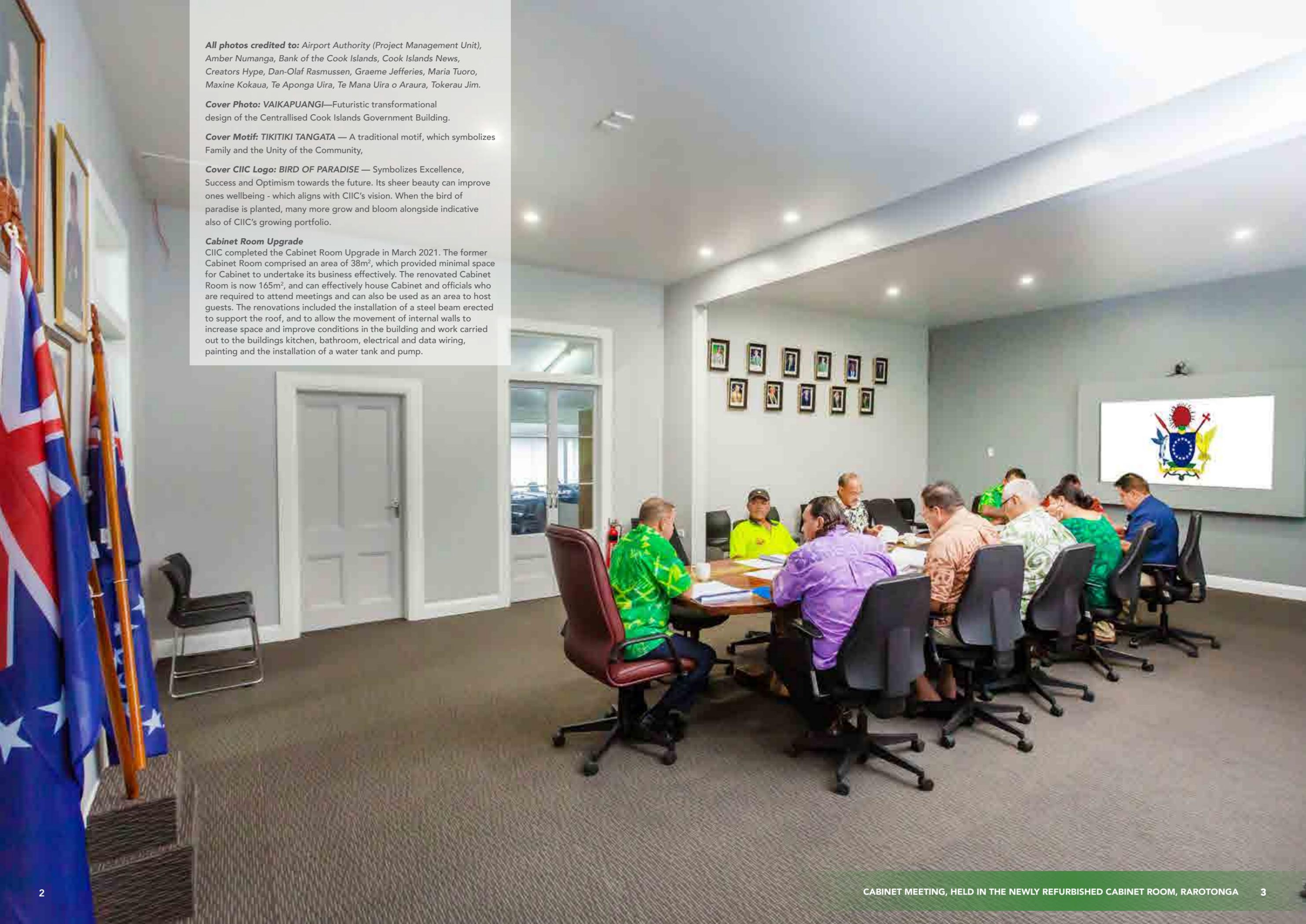
Cover Photo: VAIKAPUANGI—Futuristic transformational design of the Centrallised Cook Islands Government Building.

Cover Motif: TIKITIKI TANGATA — A traditional motif, which symbolizes Family and the Unity of the Community,

Cover CIIC Logo: BIRD OF PARADISE — Symbolizes Excellence, Success and Optimism towards the future. Its sheer beauty can improve ones wellbeing - which aligns with CIIC's vision. When the bird of paradise is planted, many more grow and bloom alongside indicative also of CIIC's growing portfolio.

Cabinet Room Upgrade

CIIC completed the Cabinet Room Upgrade in March 2021. The former Cabinet Room comprised an area of 38m², which provided minimal space for Cabinet to undertake its business effectively. The renovated Cabinet Room is now 165m², and can effectively house Cabinet and officials who are required to attend meetings and can also be used as an area to host guests. The renovations included the installation of a steel beam erected to support the roof, and to allow the movement of internal walls to increase space and improve conditions in the building and work carried out to the buildings kitchen, bathroom, electrical and data wiring, painting and the installation of a water tank and pump.





CIIC BOARD MEMBERS
CIIC STRATEGIC WORKSHOP
From left: Michael Henry - CHAIRPERSON,
Caren Rangī, DIRECTOR,
Honourable Mark Brown - PRIME MINISTER,
Malcolm Sword - DIRECTOR and
Fletcher Melvin - DIRECTOR

PROFILE

ENTITY **COOK ISLANDS INVESTMENT CORPORATION**
ADDRESS TAKUVAINE RD, PO BOX 51, AVARUA, RAROTONGA, COOK ISLANDS
p: +682 29391 | **e:** ciic@cookislands.gov.ck | **w:** ciic.gov.ck

OWNERSHIP Responsible Minister, Prime Minister, Honourable Mark Brown. Associate Minister Responsible, Honourable Albert Nicholas. Crowned owned entity, established under the Cook Islands Investment Corporation Act 1998.

CIIC BOARD CHAIRPERSON **Mr Michael Henry**
 DIRECTOR **Mr Malcolm Sword**
 DIRECTOR **Ms Caren Rangī**
 DIRECTOR **Mr Fletcher Melvin**

EXECUTIVE MANAGEMENT CHIEF EXECUTIVE OFFICER (CEO) **Mr Allan Jensen**

SUBSIDIARIES (100% OWNED)

COOK ISLANDS GOVERNMENT PROPERTY CORPORATION
 AIRPORT AUTHORITY
 BANK OF THE COOK ISLANDS LIMITED
 PORTS AUTHORITY
 TE APONGA UIRA O TUMU TE VAROVARO
 AVAROA CABLES LIMITED
 COOK ISLANDS BROADCASTING CORPORATION
 COOK ISLANDS TELECOMMUNICATION ASSETS LIMITED
 COOK ISLANDS TELECOMMUNICATIONS HOLDINGS LIMITED
 DEVELOPMENT FINANCE LIMITED
 SUWARROW DEVELOPMENT CORPORATION LIMITED
 TE MANA UIRA O ARAURA
 TO TATOU VAI LIMITED

ASSOCIATES

CIIC SEABED RESOURCES LIMITED / 50% OWNED
 TELECOM COOK ISLANDS LIMITED (VODAFONE) / 40% OWNED

FOREWORD

MESSAGE FROM OUR CHAIRPERSON

On behalf of the Board, management and staff of the Cook Islands Investment Corporation (CIIC), I am pleased to present our Statement of Corporate Intent (SCI) for the next four years to 30 June 2025. This is an important document for CIIC and for the organisations in our group, as it sets out our intentions for carrying out our role and responsibilities to best meet the needs of the people of the Cook Islands.

This SCI is driven by our vision for “Quality assets that serve the wellbeing of Cook Islands people”. Those public assets include Government’s building portfolio across the nation as well as the country’s our key utilities such as the Port, Airport, water and power are currently worth at least \$403million, and are forecast to grow in value to \$650 million over the next four years. In early 2021, the CIIC Board undertook a strategic review, and refined its vision slightly to better reflect its activities and to better convey our vision to the public. The CIIC Board will be proactively seeking feedback on the Group’s vision and strategy, to better inform its plans for the future.

A big feature of the last 12 months has been this current and unprecedented COVID-19 global pandemic crisis and I am proud to say CIIC and its entities have responded to this challenge to ensure the Group is soundly positioned and is delivering support to the wider public during these challenging times. This support has involved CIIC offering significant support to the public in terms of rental relief, electricity discounting (in excess of \$13m of discounting), the provision of low interest loans and deferred loan repayment terms. This has also meant the accelerated investment in public infrastructure to stimulate the private sector and create employment. You will see in this SCI the array of projects undertaken by CIIC and the Group amidst the COVID-19 pandemic. It is pleasing that we now see a better future for the country though we are still operating in an unprecedented period of uncertainty, so we will be moving ahead with cautious optimism, always with the view of putting the interests of our Cook Islands people first.

The CIIC Board will continue to focus on strengthening the governance of our Crown enterprises and the effective development and management of Crown assets. A key part of this focus is to commence development works on the centralized Government hub, Vaikapuangi, with completion planned in 2025. Alongside this work we will also continue to support all organisations in our group to meet their community service obligations whilst achieving commercial success.

This SCI is our “navigation chart” for how we intend to carry out our work, and the basis on which we are prepared to be held accountable.

On behalf of my fellow Directors Malcolm Sword, Caren Rangi and Fletcher Melvin, we wish to acknowledge and thank Tamari’i Tutangata, the former Chief Executive, who retired and finished with CIIC in November 2020, for his stewardship and management of the Corporation over the last nine years, and acknowledge our incoming Chief Executive, Allan Jensen. In closing, the Board would like to thank our Chief Executive Allan Jensen and our CIIC team for their work in compiling this document and the contribution they make everyday for the people of the Cook Islands.

Kia orana, e kia manuia

Michael Henry
Chairperson,
Cook Islands Investment Corporation

ACKNOWLEDGEMENT

This STATEMENT OF CORPORATE INTENT has been approved by the Government of the Cook Islands, approved and overseen by the CIIC Board of Directors, and facilitated by Allan Jensen, Tairi Herrmann, Ruanoo Mose-Kavana, and the Mangement Team. SCI’s Design and Layout by Maxine Kokaua. Content has also been contributed by CIIC’s entities;

Copyright © by Cook Islands Investment Corporation, Government of the Cook Islands.

CONTENTS

4	Profile
6	Foreword
6	Acknowledgement
10	Our Recent Milestones
16	Our Upcoming Milestones
22	Our SCI’S Purpose
22	Our Vision
23	Delivering For The Cook Islands
26	Our Contribution to Government Priorities
30	Our Context
32	Our Operating Environment
40	Financial Forecast
44	Our Past Key Performance Targets
52	Our Future Key Performance Targets
64	Our SOE’s & CCE’s
70	Our Contribution to the Cook Islands
72	Appendix 1: Detailed Financials
74	Appendix 2: Accounting Policies
75	Appendix 3: Glossary



From left: Hon. Albert Nicholas (Associate Minister), His Worship Levi Walewaoa (Pukapuka Mayor), Paulo Paulo – Tetio Kaitara Paki Tonga Ariki, Prime Minister Hon. Mark Brown, Hon. Tingika Elikana (Associate Minister & Member of Parliament for Pukapuka) with wife Tetuanui Elikana.

Pukapuka Hospital Refurbishment

CIIC completed the Pukapuka Hospital Refurbishment in February 2021. Originally constructed some 60-odd years ago from limestone and concrete, the old hospital formerly consisted of 14 rooms and offices spread over two buildings. Extensions to both structures means the newly upgraded facilities now provide approximately 25 per cent more space, with four extra rooms added to the hospital complex. Pukapuka Hospital now boasts a new maternity ward and delivery room, new men's and women's wards, a new kitchen, and a dental clinic. Bathroom and shower areas have also been upgraded, the waiting area has been extended, and a 50,000-litre underground concrete water tank has been installed.

OUR RECENT MILESTONES

A sample of our recent significant milestones and achievements over the 2020/21 financial year is as follows:

Support Amidst Covid-19

As reported in last year's SCI, as the COVID-19 spread around the World, with its profound effect on the Cook Islands economy, the CIIC Group focused on managing its entities effectively and providing reassurance to the public, that essential public services would continue and various support initiatives were developed to assist the Cook Islands public and businesses.

Such initiatives across the CIIC Group have included

- Discounted Power: Te Aponga Uira (TAU) have provided substantial discounting to Rarotonga households and businesses since March 2020, when the first effects of COVID took hold, with the latest discounting continuing into March 2021. TAU has provided in excess of \$12m in discounts, funded exclusively from its reserves. Te Mana Uira o Araura (TMU) likewise has substantial discounting to Aitutaki households and businesses since March 2020. TMU has provided approximately \$1m in discounts, funded partly by way of Government appropriation and CIIC funding.
- Rental Relief: All businesses across the CIIC Group with tenancy arrangements, have provided rental relief during these COVID-19 times. This has included CIIC, Punanganui Market, the Airport Authority, the Ports Authority and the Banana Court Company. Typically, a tenant had to demonstrate financial hardship from hardship, provide support and discounting or relief would be provided accordingly.
- Loan and Interest Relief Packages: Cook Islands people bank, the Bank of the Cook Islands (BCI), CIIC's subsidiary, has been instrumental in helping households and businesses through the economic responses plan. This has included the 'hibernation' of interest repayments for one year for individual and business debt holders, removing the interest burden with the deferred interest to be repaid under more favourable economic circumstances, among provision of facilities and other initiatives.
- Projects that create Economic Stimulus: CIIC, along with many entities across the Group, have accelerated capital works programmes and changed its contracting models to create economic stimulus. Many of the projects have involved the direct engagement of smaller suppliers of goods and services and in some cases the direct employment of personnel. Projects falling under this umbrella has included the Tupapa Clinic renovations, the Auditorium project, Aitutaki Hospital building and electrical works, the Office of the Prime Minister and Cabinet Room refurbishment and other preventive maintenance projects.

Infrastructure Upgrades – Rarotonga

- A number of infrastructure upgrade projects were undertaken during the year on Rarotonga. Key projects were upgrades to the National Auditorium, the Tupapa Outpatients Clinic and the Office of the Prime Minister Cabinet Room.
- National Auditorium, the Cultural Centre, originally built in 1992, has recently undergone major rehabilitation. The steel structure has been fully refurbished and the roof cladding has been completely replaced. Other work included replacing damaged ceilings, flooring, walls, windows and doors. Around 25 workers from the private sector and CIICs short-term employment scheme were involved in delivering this project over a 11-month duration. The national events centre will continue to serve the Cook Islands into the future.

- The Tupapa Outpatients Clinic has been extended to provide a bigger and more comfortable waiting room for members of the public as well as providing safe spaces to deal with potential COVID-19 patients. The work at the Tupapa clinic has improved conditions in general for staff, and for the delivery of health and clinical services in an environment that is safe for both patients and staff. The main change is to the waiting room which now extends northwards – on the seaside – with a 12 x 6 metre addition. Earthworks and tree clearing have taken place to allow for this extension.
- The Cabinet room, at the Office of the Prime Minister, has undergone a facelift. The former Cabinet Room comprised an area of 38m², which provided minimal space for Cabinet to undertake its business effectively. The renovated Cabinet Room is now 165m², and can effectively house Cabinet and officials who are required to attend meetings and can also be used as an area to host guests. The renovations included the installation of a steel beam erected to support the roof, and to allow the movement of internal walls to increase space and improve conditions in the building and work carried out to the buildings kitchen, bathroom, electrical and data wiring, painting and the installation of a water tank and pump.



OUR RECENT MILESTONES cont...

Infrastructure Upgrades – Pa Enuu

- A number of infrastructure upgrade projects were undertaken during the year across the Pa Enuu. Key projects were upgrades to the Aitutaki Hospital and the Pukapuka Hospital.
- In August 2020, CIIC commenced renovations to the Aitutaki Hospital utilizing Aitutaki-based contractors and builders. The work carried out included extensive renovation and electrical works. The renovation works included roof extensions, replacement of damaged walls and repainting. The building works were completed in December 2020. The electrical works included new switchboards, a complete re-wiring to meet current wiring standards and to reduce energy consumption. The electrical works also included adding and replacing all lights, interior and exterior. The electrical works were completed in May 2021. These improvements enable Te Marae Ora Ministry of Health to continue delivering critical services to the people of Aitutaki in facilities that are fit for purpose.
- The Pukapuka Hospital improvements was officially opened by the Prime Minister in February 2021. The original hospital was constructed some 60-odd years ago from limestone and concrete, the old hospital formerly consisted of 14 rooms and offices spread over two buildings. Extensions to both structures means the newly upgraded facilities now provide approximately 25 per cent more space, with four extra rooms added to the hospital complex. Accordingly, Pukapuka Hospital now boasts a new maternity ward and delivery room, new men's and women's wards, a new kitchen, and a dental clinic. Bathroom and shower areas have also been upgraded, the waiting area has been extended, and a 50,000-litre underground concrete water tank has been installed.

Communications

During the 2020/21 year, CIIC has focused on improving its communications, with the refresh of its communications strategy, resourcing the communications function with a communications advisor, the publication of regular press releases (and average of 1 press release per week from March 2021) and the redevelopment of its website.

The new CIIC website was launched late in 2020 and is an important tool to share with the Cook Islands public the Corporation's and Group's activities. The website transparently provides to the public its strategy, statement of corporate intent, its legislation, project updates, among other information. A big focus of the redevelopment was for the public to easily navigate to information on the website and on its visual elements for the public to see visually the work the organisation undertakes including its vast array of projects. Check out our new website at www.ciic.gov.ck.

Corporate Governance

CIIC's corporate governance over the last 12 months; enacting further legislative amendments, directors database in place with >70x people, formal induction program for directors, proactive monthly updates on board directors tenure 6 months in advance, ongoing professional director training program, standardized SCI strategy, Group SCI Presentation to Cabinet, Board Programs in place for CIIC Deep Dives, CIIC Group Deep Dives, Bi-monthly CEO Board meetings, Quarterly Risk Reports and regular meetings within the CIIC Group.

Support to our SOEs

The CIIC Group over the last 12 months have taken a collaborative approach to the impact of COVID-19 to the Cook Islands economy by way of providing tangible support with discounted power relief, rent relief and loan repayment holidays .

There was also robust recruitment processes conducted across the group with 6x Chief Executive Officer Positions within the CIIC Group appointed including the Cook Islands Investment Corporation (CIIC), Bank of the Cook Islands Ports Authority, Te Aponga Uira and To Tatou Vai. Additional support was also provided to the wider machinery of government through secretarial assistance in the recruitment of the Public Service Commissioner role and the Police Commissioner roles.

Working Collaboratively

CIIC has entered into many Memorandums of Understanding (MOU) during the year, to formalise collaborative working arrangements with ministries, agencies and community groups. Some of the MOUs entered into include:

- Cook Islands Sports and National Olympic Committee (CISNOC): MOU formalising the co- management arrangements of the National Stadium (BCI Stadium) and National Indoor Sports Arena (Telecom Sports Arena) in Nikao.
- Cook Islands Tourism: MOU to collaborate and cooperate on the development and management of public spaces, facilities and event infrastructure.
- Ministry of Education: MOU to formalise arrangements with regard to the development and maintenance of school properties across the Country.
- Nikao Fishers and Growers Association: MOU to work cooperatively together to ensure the Social Centre is accessible and able to be enjoyed by the wider community and to work cooperatively to re-establish and operate the Nikao Social Centre market.
- Te Marae Ora and Atiu Island Council: MOU to formalise the management and administration of the new Atiu Doctors residence.

Other examples where CIIC has worked collaboratively include Asset Management Governance, working closely with the Aitutaki Island Council on a range of projects and working with numerous private sector parties in terms of project pipeline matters and COVID-19 support initiatives such as the Triad Fuel donation.

Atiu Courthouse

CIIC have undertaken a number of infrastructure projects in Atiu in conjunction with the Atiu Island Government over the past year. Upgrades at the school and the construction of the doctors residence were completed in 2020. The final project being undertaken by CIIC is the Atiu Courthouse (picture below during construction), is a new fit for purpose facility and is due to be completed in June / July 2021.



OUR UPCOMING MILESTONES

A sample of our upcoming milestones and achievements

Continued support amidst COVID-19

The CIIC Group will continue to work together to develop and implement various initiatives to support households and businesses during these unprecedented times as a result of the COVID-19 pandemic. The CIIC Group will continue to work with Government, private industry and the wider community to provide support and stimulus to the Cook Islands economy, including identifying and implementing various capital infrastructure projects.

To Tatou Vai

TMV will hand over all water assets to the To Tatou Vai (TTV) water utility provider, as we move from the water project phase to the full operationalization phase. This will be challenging yet exciting milestone.

TTV will also commence the final Rarotonga north eastern 20km sub and branch main pipe project, as scoped under the TMV Project. There are also plans to upgrade the water station networks, various tanks and reservoirs across Rarotonga, to commence the water meter project and adoption of approved water treatment protocols by Cabinet.

Capital Structuring Review

There has been significant focus in recent years to optimise the corporate governance arrangements of SOEs and CCEs. The landscape is now ideal to address strategic capital arrangements and to identify optimal capital structures across the Group and at an entity by entity level, to deliver benefit to the Crown and taxpayer. The review will include the outlining of principles, identification of potential capital restructure initiatives, which could be implemented in the short, medium and long term. Such initiatives may result in refinement of legislation, and the development or refinement of policies (eg the dividend policy).

Arutanga Port Channel

The Orongo Development masterplan commissioned in 2011 by the Cook Islands Ports Authority and the Aitutaki Island Council comprised of the following components:

- Dredging works to safely allow yachts, cruise ship tenders and small ships into the harbor
- Renewal of the wharf infrastructure where condition is poor, including infilling a silted-up part of the basin to create more cargo handling space
- Structural works at the port to improve resistance from the effects of sea level rise caused by climate change; and
- Tourism-focused development of the port and marina.

The entrance channel to the Arutanga Port was naturally formed by fresh water stream and later modified by the US Military during World War II. Some improvements were reportedly carried out over subsequent years although minor. Work will commence during the year of dredging works and this is expected to be completed by the end of June 2022. The excavator procured for this project will be owned by the Cook Islands Government, and will be used on other port projects in the future across the country.

Asset Management

Following the Asset Management Development Plan (AMDP) report in 2019, CIIC has begun implementing the asset management programme and the recommendations outlined in the AMDP.

A key focus in the next 12 months include

- Finalizing the governance group and resourcing the asset management unit following securing requisite funding and the appointment of the Project Manager,
- Review and strengthen internal processes and Asset Management Systems (AMS),
- Improve collaboration with key stakeholders

The Asset Management programme is a 24 month programme supports improved asset management across all Cook Islands infrastructure agencies.





OUR UPCOMING MILESTONES

VAIKAPUANGI - Futuristic transformation design of the Centralised Cook Islands Government Building

The Vaikapuangi Government Centre is the result of over 5 years of design considerations and consultations. The concept features a thoughtfully designed building that will provide better services to the public and will accommodate around 500 workers from 20+ Government Agencies and Statutory entities in a flexible, adaptable and sustainable work environment.

The Government Centre will be located in the heart of Rarotonga, in central Avarua, this will deliver better service connections for the community and within Government.

The Government Centre incorporates:

- A welcoming foyer area that provides customers with efficient service delivery and spaces for commercial/ retail and public use that will be defined as the design progresses
- Strong public link between neighboring Government agencies and Avarua township
- End of trip facilities to encourage walking, cycling, use of EVs, ride sharing and public transport

- Two storeys of office space with large windows offering natural lighting and ventilation and creating a strong visual connection to the surrounding landscape
- Sustainable design principles to improve morale, performance and wellbeing of workers
- Flexible working spaces, shared meeting and training rooms and lots of breakout spaces for networking and informal meetings
- Sustainable building design principles including structure strengthening, raised floors, water security and onsite energy generation for climate adaptation and carbon reduction.

BCI Stadium

CIIC owns through CIGPC and manages the National Stadium / BCI Stadium and the National Indoor Sports Arena, in Nikao, which were both central facilities for the successful 2020 Cook Islands Games. Both of these facilities are managed by CIIC's Facilities Team, whom went above and beyond duty to ensure the facilities were ready and functioning for the event.



OUR SCI'S PURPOSE

We believe our SCI is a living document and critical in our day to day work. Our Statement of Corporate Intent (SCI) outlines the driving vision for the Cook Islands Investment Corporation (CIIC/the Corporation), our mission, priorities and strategic objectives for the next four years. The SCI is a document required to be submitted and approved annually by Cabinet as

outlined under the Cook Islands Investment Corporation Act. It is however and more importantly a document for the Cook Islands people and our stakeholders to understand what we have been doing (in the last year), what we are planning to do (over the next four years) and what our priorities are including key performance areas.

OUR VISION

During the Strategy Retreats held in early 2021, the CIIC Board and management team concluded that its current vision “effective and efficient public assets that improve the wellbeing of Cook Islands people”, needed to be updated to better describe the organisation’s vision and better connect with the public, stakeholders, and staff.

The revised vision that was developed at the retreat and shared with the public for feedback, is:

*“Te au apinga puapinga te ka tauturu i te iti-tangata Kuki Airani.
“Quality assets that serve the Cook Islands people.”*

A longer version of the vision was also developed to provide better context as follows:

Tau meitaki no te akakoro’anga, akatuke atu i te au apinga no te katoatoa te ka oronga mai, tauturu mate akameitaki atu i te turanga ora’anga o te iti-tangata Kuki Airani.

“Fit for purpose, transformational public assets that deliver, serve, and improve the wellbeing of the Cook Islands people, in harmony with our culture and our environment.”

The general feedback from the public on the revised vision has been positive. The Board and Management Team also engaged directly with members of Cabinet, various community leaders and youth, to facilitate direct and in depth feedback. This also was positive, with the Board opting to retain its initial revision to the vision.

CIIC intends to undertake during the current calendar year, wide and comprehensive engagement on its strategy, vision and SCI. CIIC’s vision has a very wide remit, therefore has a vast scope of responsibilities and contributes in a number of ways to the National vision and development plan.

In achieving our vision CIIC separates our business into five equally important elements or functions, as outlined below, with their respective purpose:

In achieving our vision CIIC separates our business into five equally important elements or functions, as outlined below, with their respective purpose:

- 1) Crown Enterprises:** Lead governance, oversight and development of Crown enterprises for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders, and
- 2) Asset Development:** Lead the effective development of Crown assets for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders, and
- 3) Asset Management:** Lead the effective management and maintenance of Crown assets for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders, and

4) Land Management: Lead the effective management of Crown land for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders, and

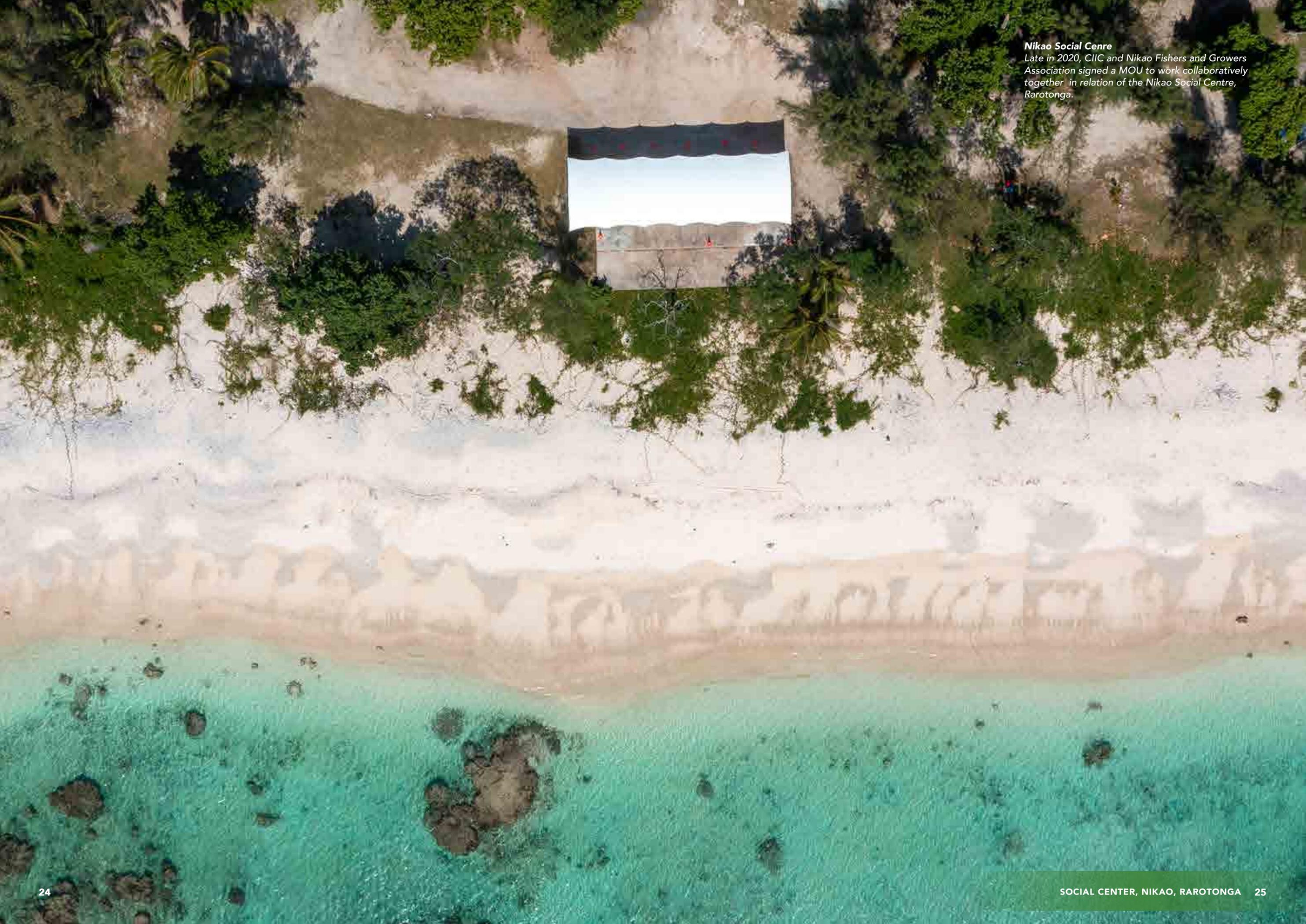
5) Support the responsible Minister, Cabinet, Board of Directors, Directors, Management and staff across the Group to effectively govern and manage the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders



DELIVERING FOR THE COOK ISLANDS

We are proud to present the Cook Islands Investment Corporation (CIIC) Statement of Corporate Intent (SCI). The CIIC SCI covers the period from July 2021 through to June 2025. The SCI provides the organisation’s strategy, vision, achievements, financial targets and key performance areas. The SCI shares with you the many accomplishments that CIIC has achieved in recent times, including the support the Group has provided to the country amidst the COVID-19 landscape (including electricity discounts, rent relief and loan repayment holidays), advancements of the Corporation’s governance of its support to our entities, the completion of a number infrastructure projects across Rarotonga and the Pa Enea, (including the Tupapa clinic, Auditorium, Pukapuka and Aitutaki Hospitals and Atiu projects), our improved communications initiatives and the commencement of work to assess our capital structure requirements into the future.

These initiatives and projects will ensure our assets are well equipped to deliver benefits and serve the Cook Islands for many generations to come. The SCI shares with you the CIIC and the Group plans for the future, including commencement of the strategically important Vaikapuangi project, continued support to the nation to assist with the challenges from the COVID-19 pandemic, progressing the nationwide asset management programme, delivering potable water to Rarotonga and the finalisation of work to assess our capital structure requirements into the future. The plan is to continue to strengthen and realign the Corporation into the future to meet the numerous challenges and capitalize on the opportunities for the Cook Islands. E tau te rave angaanga i tana tutaki. If you work hard you will be rewarded. The Corporation and the Group are ready to achieve what has been outlined in this SCI and to deliver for the Cook Islands.



Nikao Social Centre
Late in 2020, CIIC and Nikao Fishers and Growers Association signed a MOU to work collaboratively together in relation of the Nikao Social Centre, Rarotonga.

OUR CONTRIBUTION TO GOVERNMENT PRIORITIES

The CIIC Group has a vast scope of responsibilities with technical ownership of all crown assets and contributing to national development across a number of areas.

The 2020 National Vision was:

“Te oraanga tu rangatira kia tau ki te anoano o te iti tangata, e kia tau ki ta tatou peu Maori e te aotini taporoporoia o te basileia.”

“To enjoy the highest quality of life consistent with the aspirations of our people, and in harmony with our culture and environment.”

The National Sustainable Development Plan (NSDP) is developed from the 2020 National Vision. The NSDP sets out 16 dimensions of the country's development and provides an outline to measure state progress, with the NSDP goals used as an organizing tool in defining what is important to Cook Islanders.

NSDA 2020+

The National Sustainable Development Agenda (NSDA 2020+) or Te Ara Akapapa'ana Nui 2020+ will follow on from the NSDP and is the Cook Islands national blueprint towards a 100 year vision for well-being for the Cook Islands in all aspects. The NSDA 2020+ is working towards two key periods, being the 25 year framework and the 100 year vision. The consultation for the NSDA 2020+ was launched on Friday 31 July 2020 and public consultations have continued. Approval of the NSDA 2020+ is anticipated to occur in 2021.

Cook Islands EDS

The vision statement of the Cook Islands Economic Development Strategy (EDS) 2020 is working together to build a dynamic, prosperous and inclusive economic future for Cook Islanders, that is in harmony with our culture and environment. The Cook Islands EDS has five objectives with focus areas and indicators to measure progress of each objective.

The Cook Islands EDS Goals to which the CIIC contribute directly are:

OBJECTIVE 1: IMPROVING EQUITY AND ACCESS FOR ALL

CIIC developing and implementing a Housing Policy as well as scoping the construction of student accommodation for Pa Enuu Students in addition to the current public housing being provided to the Cook Islands market.

OBJECTIVE 2: TRANSFORMING OUR ECONOMY

CIIC is involved in the PPP (Public Private Partnership) Policy Committee and scoping opportunities for the Cook Islands to consider in this sector as well as the review of the Telecom Cook Islands (TCI) shareholding. In addition, CIIC has an integral role in the planning and scoping of the centralized government building project through Vaikapuangi Redevelopment Project. CIIC is also the parent company of Avaroa Cable Limited (ACL) and working closely with them in the efforts of identifying further opportunities with the Manatua Fibre Optic Cable.

OBJECTIVE 5: GREENING OUR ECONOMY

CIIC is the parent company for both TAU and TMU and working closely with them in efforts to increase the percentage of electricity generation from renewal energy.

OUR CONTRIBUTION TO GOVERNMENT PRIORITIES cont...

The NSDP Goals to which the CIIC Group contribute directly to are:



GOAL 1: IMPROVING WELFARE AND REDUCING ECONOMIC HARDSHIP

CIIC provides public housing often to families that the market does not provide to and fills an important role in providing housing for Cook Islanders.



GOAL 2: ECONOMIC GROWTH, RESILIENCE AND PRODUCTIVE EMPLOYMENT

The successful delivery of services by our SOE's such as Ports, Airport, TAU and TMU are crucial in the growth and development of the economy.



GOAL 4: WATER AND SANITATION

CIIC are responsible for the establishment of a corporate crown entity that will manage reticulated water and waste water.



GOAL 5: INFRASTRUCTURE AND INFORMATION AND COMMUNICATION TECHNOLOGY

CIIC houses the secretariat for the infrastructure committee and, is also responsible for the Avaroa Cable Limited, the Crown Controlled Entity to that manages the nation's interests in the Manatua submarine fiber optic cable and manages the Crowns shareholding in Telecom Cook Islands trading as Vodafone Cook Islands.



GOAL 6: ENERGY AND TRANSPORT

CIIC is the parent company for both TAU and TMU and working closely with them in efforts to maximize renewable energy conservation.



GOAL 12: OCEANS AND MARINE RESOURCES

By way of the Cook Islands Government Property Corporation Act 1969, CIIC are owners of the marine resource. As such we sit on the Marae Moana council and ensuring the regulatory framework for deep Sea mineral mining is developed and optimized to reflect the best long term interests of the Cook Islands.



GOAL 13: CLIMATE CHANGE AND DISASTER RESILIENCE

CIIC has responsibility for the maintenance of government buildings and facilities throughout the Cook Islands as well as being a focal point for government's asset management system. Thus CIIC works to ensure that government facilities and assets are accounted for and are resilient to support Cook Islands communities against the impacts of climate change.



GOAL 16: GOVERNANCE, LAW AND ORDER

CIIC is responsible for the governance of state owned enterprises and corporate crown entities. This means ensuring entities act in accordance with government policy and putting in place policies and procedures to ensure these entities are effectively managed and act in the best long term interest of the country.

OUR CONTEXT

The World since early 2020 has been dealing with the far reaching ramifications of the COVID-19 pandemic which has momentarily disrupted the global and local Cook Islands economy. Uncertainty again still prevails at the time of finalizing our SCI in terms of the duration and quantum of the COVID-19 pandemic's impacts.

The CIIC Group owns and manages key public infrastructure to support the economy. The Cook Islands largest industry devoid of the current pandemic conditions is tourism and makes up 67% of the nation's normalized GDP. The CIIC Group provides infrastructure directly and indirectly in supporting this sector including the nations gateways (airports and ports), as well as essential public utilities, including power and water.

The CIIC Group has been a key contributor to the ERP programme including providing electricity discounting, rent relief and loan repayment holidays. CIIC plays a key role in ensuring its entities continue to provide essential services to the Cook Islands public and in alignment with Government aspirations and policy positions. In addition to what Government and the CIIC Group has provided in the formal ERP, CIIC has brought forward capital infrastructure projects to create economic stimulus and to alleviate the hardship on the construction sector.

As a result of the historic growth pre COVID-19 over the last two decades, the Government, and in some cases in conjunction with development partners, have undertaken an expansive infrastructure development program, which includes:

- Various key strategic Government building projects
- Te Mato Vai Project (started in 2012)
- National Renewable Energy Program
- Manatua Submarine Fibre Optic Cable
- Mei Te Vai Ki Te Vai (Muri/Rarotonga Sanitation) Project

Many of these projects have or are moving from a project implementation completion phase to a business as usual or operational phase. CIIC plays a critical role across these expansive infrastructure projects, including:

1. The development and design of these projects, participating in the project steering groups and ensuring that infrastructure is designed and built in line with international best practice, and;
2. Establishing statutory entities to operate and effectively manage these infrastructure projects once they are complete, to provide high quality and a sustainable service to the public.

During 2019/20, the Cook Islands Government has completed the refresh of its Economic Development Strategy (EDS) and National Infrastructure Investment Plan (NIIP).

The EDS starts with a vision of where we want our economy to be in 10 years' time and is designed to address cross-cutting economic issues — both challenges and opportunities — to achieve that vision. The EDS vision is "Working together to build a dynamic, prosperous and inclusive economic future for Cook Islanders, that is in harmony with our culture and environment."

The EDS has five objectives. Each objective has several key focus areas and a number of indicators to measure progress. The five objectives of the EDS are; 1) improving equity and access for all, 2) transforming our economy, 3) developing our people and culture, 4) investing in our islands, and 5) greening our economy. Under each objective is a series of actions, from 2021 through to 2030. Each action has a lead agency, action brief and indicative timing.

For example under objective 1, improving equity and access for all, action 1.3, is the Rarotonga housing market study, where CIIC and the Ministry of Internal Affairs are the lead agencies, and outlines the requirement to undertake a Housing market study to better inform possible interventions to improve access to housing in Rarotonga. The indicative timing for this action is 2021. In total, there are 101 actions outlined in the EDS. CIIC and, or its entities are lead agencies for 12 of these actions, and will be required to be involved in many other actions in the EDS.

The NIIP outlines the Cook Islands' priorities and plans for major infrastructure over the next 10 years. The NIIP was last published in 2015 and will be finalized in mid 2021. The NIIP will inform Government and CIIC in terms of areas of focus from a public capital expenditure perspective and will be a guiding document for CIIC over the coming years.



OUR OPERATING ENVIRONMENT

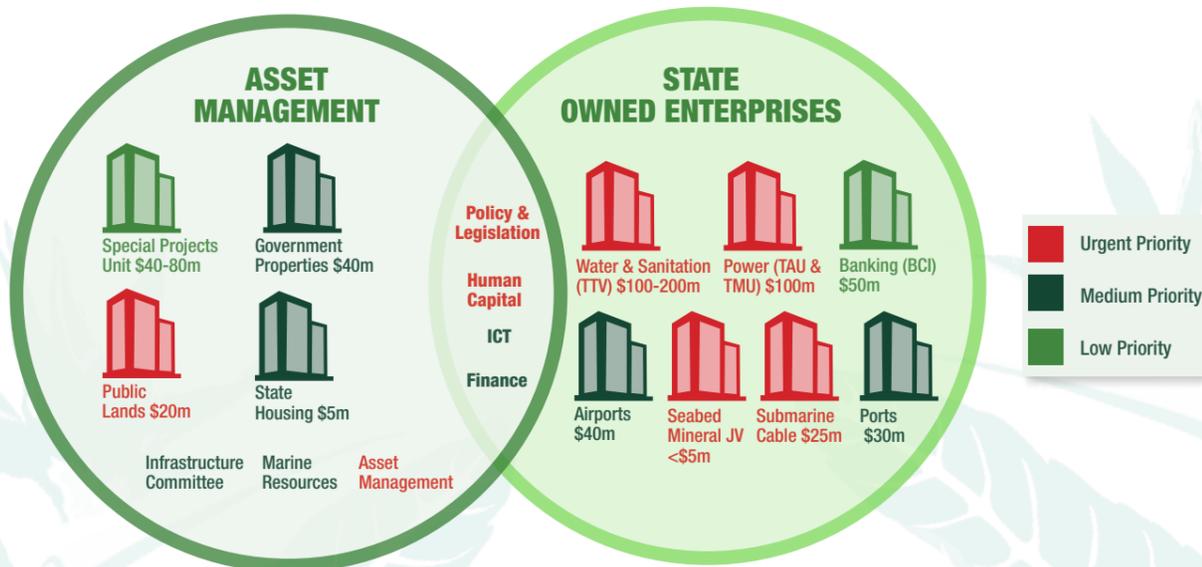
CIIC is a statutory Corporation of the Cook Islands Government. CIIC was established through the Cook Islands Investment Corporation Act 1998 to manage Crown assets including Government land, buildings and interests on Rarotonga and the Pa Enua (outer islands), and governance of Crown enterprises (subsidiaries, associates, SOEs and Crown Controlled Entities) on behalf of the Crown.

CIIC's vision (quality assets that serve the Cook Islands people) has a very wide remit, therefore has a vast scope of responsibilities and contributes in a number of ways to the National vision and national development sustainable plan.

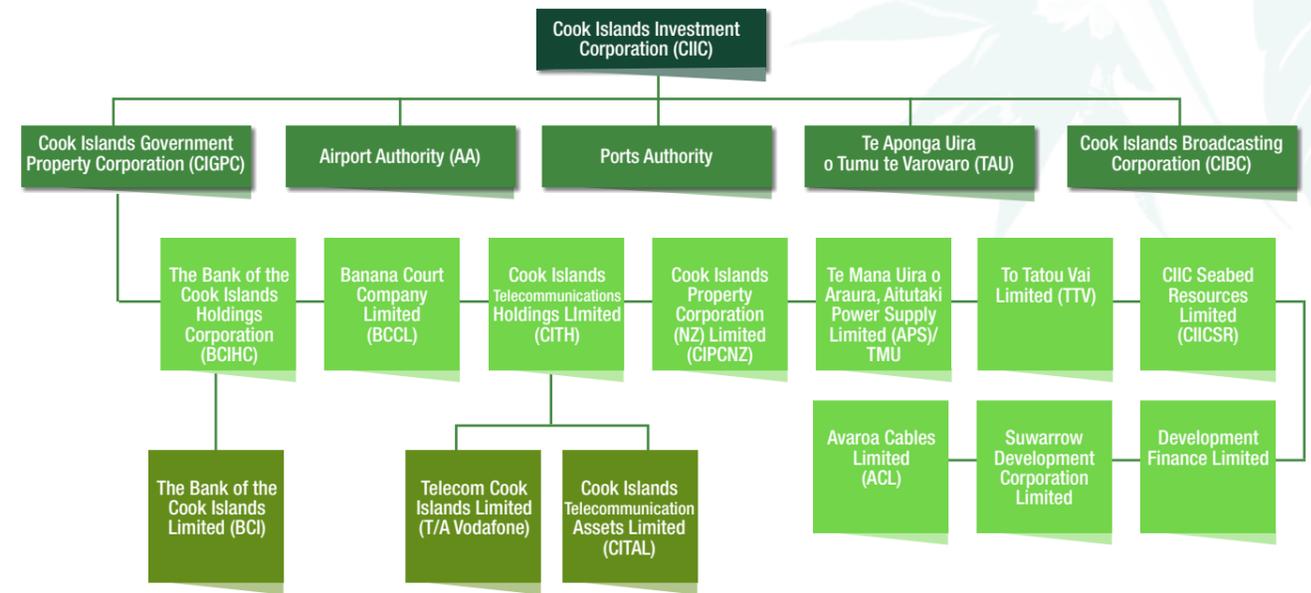
CIIC's vast scope of responsibility includes:

1. Crown land, Government infrastructure including Government buildings,
2. The Ports and Airports of Rarotonga and Aitutaki,
3. Te Aponga Uira Power Authority and Te Mana Uira o Araura,
4. Bank of the Cook Islands,
5. Investments in reticulated Water and Sanitation,
6. Telecommunications infrastructure and enterprises including Avaroa Cable,
7. Facilities management including Punanga Nui Market; and
8. Seabed mineral assets and enterprises

The below CIIC Group constellation is a good illustration of CIIC's vast responsibilities and includes its three main functional areas, shared functions and priorities:



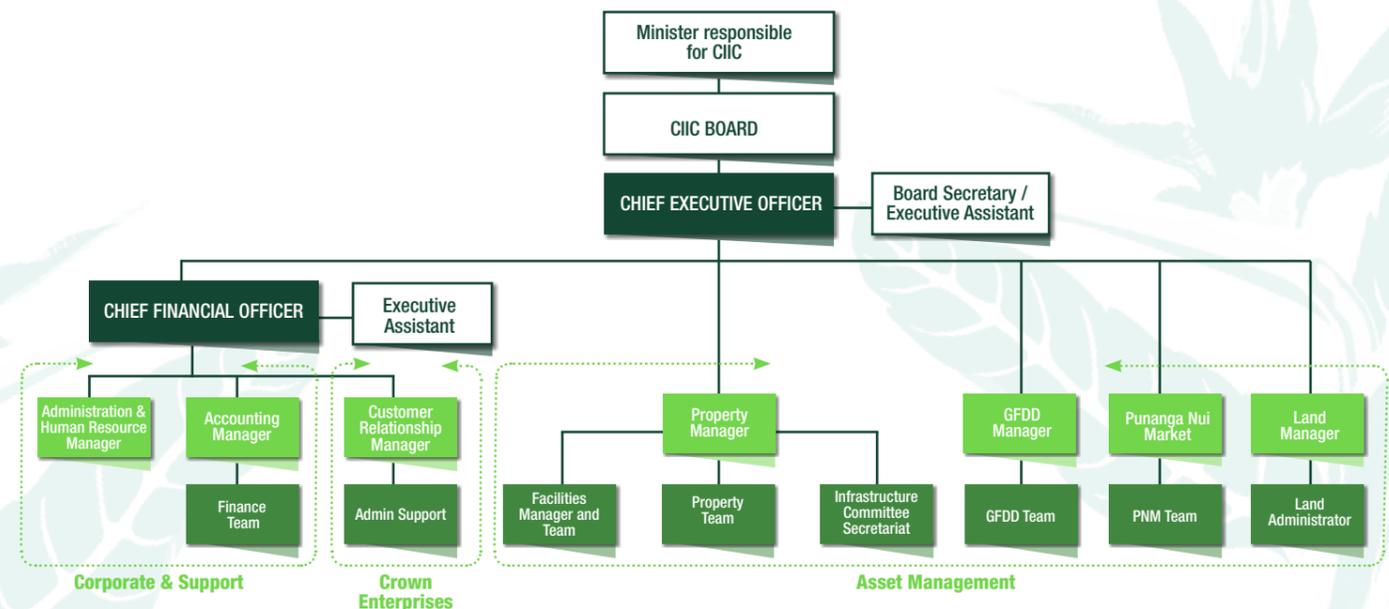
The CIIC Group contains a vast number of entities (a total of 18), delivering its vision. The below Organization Chart outlines these various entities (subsidiaries, associates, SOEs and Crown Controlled Entities) across the CIIC Group:



The Minister responsible for the CIIC is the Prime Minister, the Honourable Mark Brown. The Associate Minister responsible for CIIC is the Member of Parliament for Avatiu/Ruatonga/Palmerston Albert Nicholas. The Minister responsible for the Punanganui Market is the Honourable George Angene. The Directors of CIIC are appointed by Cabinet and comprises of Mr Michael Henry (Chairperson), Director Mr Malcolm Sword (Deputy Chairperson), Director Ms Caren Rangi and the newly appointed in March 2021 Director Mr Fletcher Melvin. With the recent adoption of the CIIC Group Corporate Governance Policy and amendments to the Cook Island Investment Corporation Act and various SOE Acts in 2019, requiring a standardized approach to corporate governance arrangements across the Group including requirements of Director numbers and composition, Cabinet will be appointing additional Directors to the CIIC Board so that the Board is made up of between 5 and 7 Directors. All CIIC entities' Board Chairs and members are appointed and administered by CIIC, other than the Directors of the Cook Islands Government Property Corporation (CIGPC), which is comprised of current Cabinet members as specifically prescribed under that entity's legislation.

The below organizational chart outlines the human resources employed to fulfill CIIC's responsibilities. The Chief Executive Officer (CEO) is Mr Allan Jensen, who reports to the CIIC Board and has overall operational responsibility for the Corporation.

Current CIIC 2021 SCI Organisational Structure



The Crown Enterprise division of the business is led by the Corporate Relationship Manager, Ms Tairi Herrmann. The division is responsible for governance, growth and development (incubation) of Crown enterprises and is resourced by an administration support personnel.

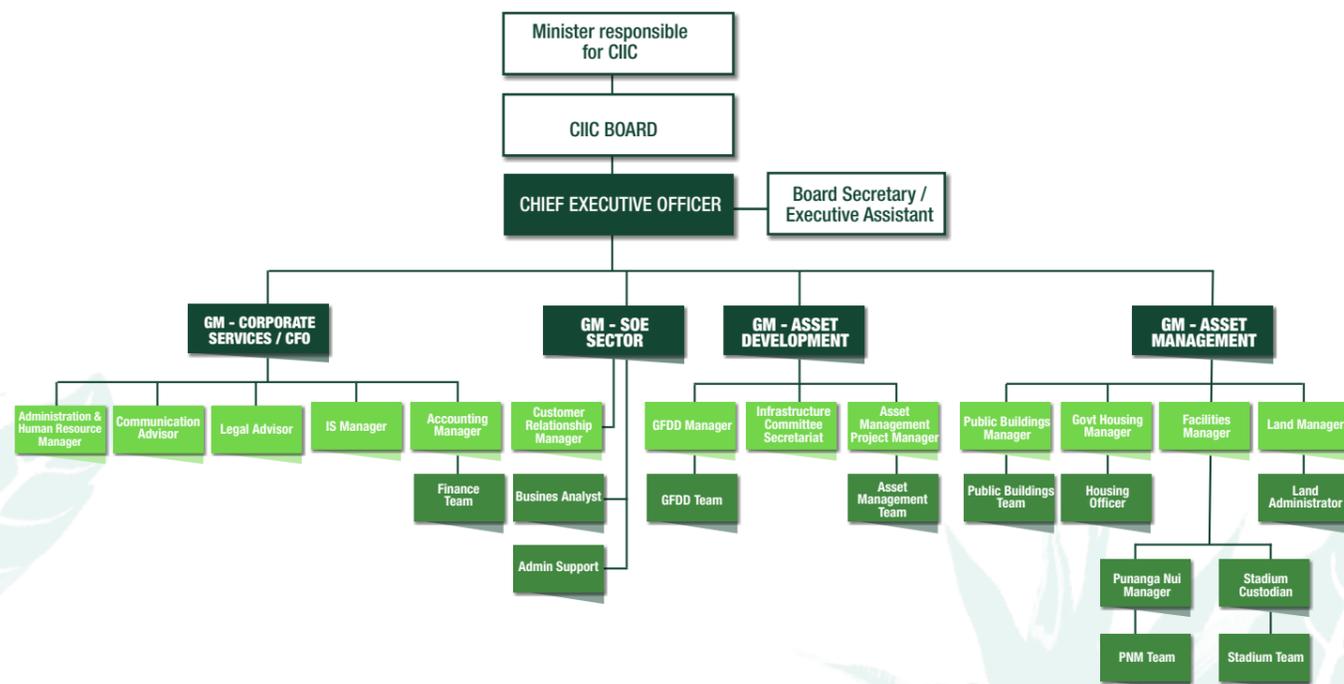
The Asset Management division is led by a number of key managers. The division is responsible for asset management of CIIC (Crown land, seas, properties and housing). The Property Team is responsible for maintenance of Crown buildings and facilities management and is led by Ms Vasie Ngatoko-Poila. The Property Team also contains the Asset Management Team (responsible for implementing the new cross Government Asset Management framework), the Infrastructure Committee Secretariat and the Facilities Management Team (responsible for the BCI Stadium, TSA Indoor Arena and other Rarotonga parks, reserves and facilities). The Government Facility Development Division (GFDD) is responsible for the development (design and build) of selected Crown infrastructure projects and is led by Ms Anne Taoro. The Punanga Nui Market Team is responsible for the management of the Punanga Nui market and led by Mr William Taripo. The Land/Legal Team is responsible for legal matters of Crown land and the enterprise.

The Corporate division of the business is led by the recently appointed General Manager Corporate Services / Chief Financial Officer, Mr Rangī Ivaiti. The division is responsible for supporting the CEO, Management, Board, Minister, and both the Crown Enterprise and Asset Management divisions. The division is resourced with a Finance, Administration, Communications, IS and Human Resources Team.

The CEO and CIIC Board is currently reviewing its organizational staff structure, to strengthen the organization across its Crown Enterprise, Asset Management and Shared Services divisions. The CIIC Board believe that this new orientation and investment is crucial and its growing responsibilities will allow the organisation to be proactive in responding to the numerous and significant adaptive challenges.

The below organizational chart outlines the optimal structure and human resources employed by the organization to fulfill CIIC's responsibilities. The optimal structure has the CEO supported by four General Managers, each heading the Corporation's four divisions; Crown Enterprises, Asset Development, Asset Management and Corporate Support. The optimal structure includes strengthening the next tier / management level, with the creation of a number of new management positions. As a result of the COVID-19 pandemic, the creation of the new structure will be paused, though it is the Board's intention that this new structure is implemented in the near future.

Proposed revised CIIC 2021 SCI Optimal Organisational Structure



CIIC operates a robust risk management system. The Board schedules on its detailed annual workplan an organizational risk deep dive session quarterly. This is undertaken at a Parent organizational level and a Group level.

Risks are measured according to its likelihood and severity. The below diagram illustrates the risk rating methodology. The CIIC Parent Organisation and wider Group key risks are illustrated in the below table:

LIKELIHOOD	CONSEQUENCES					RISK	RATINGS
	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5		
Almost Certain 5	5	10	15	20	25	Broad functions of CIIC & priorities there of	High
Likely 4	4	8	12	18	20	Natural disasters	High
Possible 3	3	6	9	12	18	Low/Mid lasting COVID-19 impacts	High
Unlikely 2	2	4	6	8	10	Parent Funding from Government	High
Rare 1	1	3	3	4	5	Political stability	Significant
						Inter-group and inter-division alignment	Significant
						Human resource	Significant
						Access to debt funding for growth	Significant
						Economic downturn	Significant





NATIONAL VISION

“Te oraanga tu rangatira kia tau ki te anoano o te iti tangata, e kia tau ki ta tatou peu Maori e te aotini taporoporoia o te basileia.”

“To enjoy the highest quality of life consistent with the aspirations of our people, and in harmony with our culture and environment.”



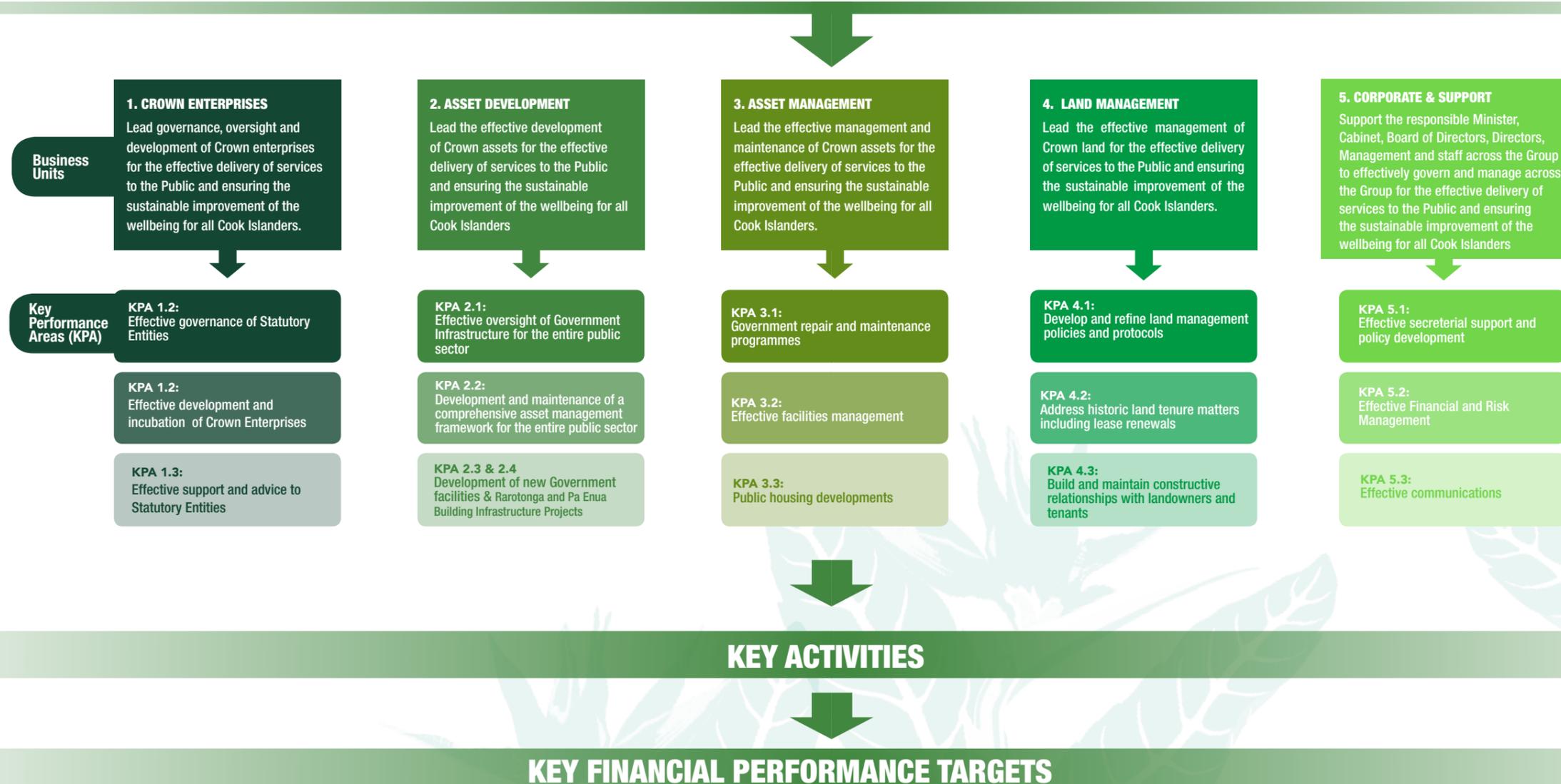
CIIC VISION

“Te au apinga puapinga te ka tauturu i te iti-tangata Kuki Airani”

“Quality assets that serve the Cook Islands people.”

Tau meitaki no te akakoro’anga, akatuke atu i te au apinga no te katoatoa te ka oronga mai, tauturu mate akameitaki atu i te turanga ora’anga o te iti-tangata Kuki Airani.

“Fit for purpose, transformational public assets that deliver, serve, and improve the wellbeing of the Cook Islands people, in harmony with our culture and our environment.”



FINANCIAL FORECAST

The CIIC Group's financial performance targets are aligned to its strategy. The CIIC Group vision is to contribute to the "quality assets that serve the Cook Islands people." The financial performance targets therefore centre on achieving good returns for its activities (return on equity), coupled with providing wider benefits to the community (community service costs as a % of revenue) and prudent fiscal management (debt to assets). The financial performance targets also align to the entities across the Group.

The key financial performance targets of the CIIC Group are as follows:

Group	Note	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Return on equity	1	5.6%	5.8%	2.2%	-1.4%	0.6%	1.8%	3.6%	4.5%
CSC / revenue %	2	4%	4%	6%	23%	>5%	>5%	>5%	>5%
Debt to Assets	3	35%	32%	<32%	<30%	<30%	<30%	<30%	<30%

The above table shows that:

- In recent years, (as illustrated in the above table in the 2018 and 2019 years), the CIIC Group has delivered solid and steady profits (returns) and cash flows, while continuing to provide community services at its own cost and investing in critical infrastructure for the Cook Islands. Late in the 2020 year, the COVID-19 coronavirus spread around the World with its effects having a profound effect in the 2021 year. This is reflected in the group actual earnings in 2020 and its forecast earnings in 2021 with a conservative and gradual return to 2019 levels in 2024/25+.
- Despite the COVID-19 impact, the CIIC group has extended significant support to the community and economy, with added support in the 2020 - 2021 years including by way of electricity discounting, loan repayment holidays and rent relief (illustrated as CSC / revenue % in the above table) and expect to maintain a high level of contribution and support into the future.
- The CIIC Group's medium term financial stewardship goals is to keep debt levels under 30%, maintaining it 2020 debt levels, a pleasing forecast considering the COVID-19 landscape and the associated decrease in group earnings.

The key financial performance targets of the CIIC Parent are as follows:

Parent	Note	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2024 Budget
CSC / revenue %	2	2%	3%	3%	5%	5%	5%	5%	5%
Current Ratio	4	1.1	1.3	>1.1	>1.0	>1.0	>1.0	>1.0	>1.0
Debtor days	5	<50	<50	<50	<50	<50	<50	<50	<50

The above table shows that:

- In recent years, the CIIC Parent has delivered community services at its own cost (community service costs). CIIC Parent's medium term return goal is to maintain its existing levels of community service cost levels.
- Managed its cash reserves effectively, albeit with high level of debtor days.
- CIIC Parent's medium term financial stewardship goals are to keep its current ratio at its existing levels and to significantly improve debtor collection rates.

CIIC Group dividends to the Crown has historically been predicated on 35% of net profit after tax at an SOE level and these have been paid direct from its SOEs directly to the Crown each financial year. Recently, a policy was developed prescribing dividend parameters between CIIC and the Crown, however protocols have yet to be developed.

The below table shows actual and projected tentative dividends to be paid to the Crown, based on projections and conservative estimates of SOE earnings.:

Group (000's)	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Dividends paid to Crown	2,813	4,946	1,760	-	600	600	1,200	1,200

The above table shows nil dividends in 2021 due to the impacts of COVID-19, with a gradual return of distributions after 2022.

CIIC intends to engage with the Crown about formalizing dividend protocols for the CIIC Group. It is proposed that the dividend protocol will:

- be at a Group level,
- provide a robust earning stream to the Crown,
- optimise performance and re-investment, and
- ensure the Parent, CIIC is resourced equitably and effectively to drive the sector forward.

All major asset sales will be made with due regard to Part VII of the CIIC Act. Asset sales in the normal course of business are included as part of the capital expenditure budgets. CIIC recognises its obligations under section 27 of the Act and believes the intentions set out in this statement will result in full compliance with that section of the Act. There is no intention, at this point in time, to sell any assets that provide essential public services or are substantially a monopoly. In saying this however, Government does require CIIC and its entities to continuously review its operations, structures and ownerships of shares, to ensure CIIC and its Group (its operations, structure and ownership models), is fit for purpose now and into the future.

Understanding our financial targets:

1. Return on equity (ROE): Illustrates the return generated from shareholder capital. The higher the percentage, the more money or value the Group generates for its shareholder, the Cook Islands Government. People will generally compare this number to what they could earn if their money was put in the bank. A 5 to 6% return may be considered reasonable when considering the nature of this Group. Firstly, the Group has key deliverables other than purely delivering a profit return, ie. the Group is expected to deliver services to the community and these costs are not recoverable. Secondly, the majority of the Group is predicated on long term infrastructure assets, generally generating lower, however a certain return level (compared to higher risk, higher return investments).

2. Community Service Costs / revenue %: Illustrates how much the Group gives back to the community. An important part of CIIC's functions and its Statutory Entities is to contribute back to the community. Translating the % into every \$100 can be a good descriptor to the general public for example, in 2017, for every \$100 of revenue, the CIIC Group spent \$6 towards community service costs, such as providing power for street lighting, Churches, providing outer Island banking etc.. The return on equity % should be read in conjunction with the CSC / revenue %.

3. Current Ratio: Mainly used to give an idea of an entity's ability to pay back its liabilities (debt and accounts payable) with its assets (cash, marketable securities, inventory, and accounts receivable). As such, the

current ratio can be used to make a rough estimate of a company's financial health. A current ratio greater than 1 is considered a minimum requirement. A current ratio significantly higher than 1, may be considered not the best use of funds, as returns are usually higher on non-current assets (term investments and the like).

4. Debt to Assets: The debt to total assets ratio is an indicator of financial leverage. It indicates the percentage of total assets that are financed by creditors, liabilities or debt. The debt to total assets ratio is calculated by dividing total liabilities by its total assets. The view of acceptable debt to assets levels vary according to company and industry. Public companies tend to favour lower levels of debt compared to private enterprise. However, utility, infrastructure organisations tend to carry large debt levels to finance high capital expenditure requirements, which are offset by reliable revenue streams.

5. Debtor days: Describes how quickly cash is being collected from debtors or people that owe us money. The longer it takes for a company to collect, the greater the number of debtor days. Debtor days can also be referred to as the Debtor collection period. Retail organisations typically have low debtor days (ie <15 days) as their credit terms are generally cash or 7 days. Wholesale businesses generally have debtor days of 30 - 40 days, with credit terms generally of 20th of the month following. There are improvements required to address CIIC's debtor portfolio and debtor days.



OUR PAST

KEY PERFORMANCE TARGETS

Key Performance Areas (KPA) are those key factors identified to realise an organisation's vision or greatly influence a business' success.

The first part of the KPA section looks at the KPAs and activities that CIIC had planned for in last year's SCI and if the organisation has completed those activities under each KPAs. The below tables shows that CIIC had set out to achieve 68 key performance targets, with well over half completed, and remaining targets in progress, with many of these targets close to completion. Some of the targets set last year needed to be deferred due to the COVID-19 landscape, where many activities around CIIC's response to that landscape not planned for in last year's SCI needed to be prioritized above those said targets.

OUR PAST KEY PERFORMANCE TARGETS FOR CROWN ENTERPRISE

1.	Lead governance, oversight and development of Crown enterprises for the effective delivery of services to the Public and ensuring the sustainable improvement of the standard of living for all Cook Islanders	
1.1	GOVERNANCE OF STATUTORY ENTITIES	
	a) Board and Director Management	
	Forward manage appointments 6 months in advance of term expiries	Complete
	Expand pool of directors (>100)	Complete
	Director, Chair and Board performance review programme developed and undertaken, with annual cycle	Complete /Ongoing
	b) Legislative Development	
	To Tatou Vai Act	Complete
	c) Strategy Management	
	Standardized SCI Strategy in place	Complete
	Effective and shared Group comms to public and stakeholders re Group and sectors strategy and plans	Complete /Ongoing
1.2	DEVELOPMENT AND INCUBATION OF CROWN ENTERPRISES	
	a) New Entity Development	
	TTV meter tariff regime	In Progress
	Cable, 'seizing the opportunity' plan adoption	In Progress
	Insurance Captive Company Establishment	In Progress
	b) Business Development	
	Deep sea mineral sector developments	Complete /Ongoing
	Develop common areas for SOEs to work together	Complete /Ongoing

1.3	SUPPORT AND ADVICE TO STATUTORY ENTITIES	
	a) Collaboration	
	Replicate CEO Forum	Complete /Ongoing
	Group Training Program	Complete
	Group trainee, apprenticeships, scholarship programmes	In Progress
	b) Procurement	
	Strategic Procurement Management Programmes	Complete /Ongoing
	Preferred supplier arrangements, leveraging scale to achieve cost, service and local benefits	Complete /Ongoing
	Group procurement initiatives	In Progress
	c) Financing	
	Develop group dividend policy	In Progress
	Implement SOE PPP Policy	In Progress
	Develop group commercial credit strategy	In Progress



STRATEGY WORKSHOP, PORTS AUTHORITY - ANDRE TUIRAVAKAI AND MARINA RIMA, RAROTONGA

2.	Lead the effective management, development and maintenance of Crown assets for the effective delivery of services to the Public and ensuring the sustainable improvement of the standard of living for all Cook Islanders.	
2.1	MANAGEMENT OF CROWN LANDS, INTERESTS AND MINERALS	
	a) Review land rentals and cleanup historic backlog	
	Develop public land policy	In Progress
	Complete 99% of Rarotonga Crown land lease backlog	In Progress
	Complete 85% of Pa Enea Crown land lease backlog	In Progress
	b) Confirm rental arrangements for land on road corridors	
	Complete 90% of Rarotonga road corridors	In Progress
	Complete 75% of Pa Enea road corridors	In Progress
	c) Deep Sea Minerals BD and Working Group	
	Promote CI EEZ cobalt	Complete /Ongoing
	Support DSM WG to finalise exploration regulations and open EEZ for exploration licences	Complete
2.2	ASSET MANAGEMENT FRAMEWORK	
	a) Infrastructure Committee	
	Implement improved IC secretariat arrangements including using Boardbook platform	Complete
	Align NSDP to IC programme and budget programme	Complete /Ongoing
	Champion revised NIIP	Complete
	b) Asset Management	
	Conclude AM Stage 1	Complete
	Commence AM Stage 2	Complete
	Resource AM function	Complete /Ongoing
2.3	DEVELOP, MANAGE AND MAINTAIN GOVERNMENT FACILITIES	
	a) Government Facilities	
	Drive facility projects which create wide economic stimulus	Complete
	Finalise mental health unit works	Complete
	Finalise, receive signoff on Vaikapuangi project	Complete
	Finalise Avarua Town Plan, Nikao Social Centre and Aitutaki Island Plan projects	Complete
	Enhanced Government Building repair and maintenance programme	In Progress
	Establish Government Buildings Policy	In Progress

	b) Rarotonga and Pa Enea Building and Infrastructure Improvements Programs	
	3 Building Repair Programme	In Progress
	Aitutaki Government facilities programmes	Complete
	Atiu Government facilities programme	Complete
	Pukapuka Government facilities programmes	Complete
	Are Karioi renovations	Complete
	c) Effective Facilities Management	
	Re-configure School Security arrangements	In Progress
	Finalise BCI Stadium and TSA strategy and long term plan	In Progress
	Finalise Punanganui Market strategy and long term plan	In Progress
2.4	PUBLIC HOUSING	
	a) Public Housing Development	
	Drive facility projects which create wide economic stimulus	Complete



Paulo Paulo – Tetio Kaitara Paki
Tonga Ariki at the Seabed Minerals
consultation in Pukapuka

3. Support the responsible Minister, Cabinet, Board of Directors, Directors, Management and staff across the Group to effectively govern and manage across the Group for the effective delivery of services to the Public and ensuring the sustainable improvement of the standard of living for all Cook Islanders.

3.1 EFFECTIVE SECRETARIAL SUPPORT AND POLICY DEVELOPMENT

a) Effective Secretarial Support	
Director IT tools	Complete /Ongoing
6 monthly briefings with Cabinet	Complete /Ongoing
Group SCI Presentation to Cabinet	Complete
b) Policy Development	
Develop CSO Policy	In Progress
Develop Water Policy	In Progress
Revise Energy Policy	In Progress

3.2 EFFECTIVE FINANCIAL AND RISK MANAGEMENT

a) Financial Management	
Half yearly group consolidated reporting	In Progress
Rolling half yearly Group forecasts	In Progress
Clear CIIC and CIGPC PPE audit qualification	In Progress

b) Risk Management	
Quarterly Risk Reports received	Complete/ Ongoing
Key risk group mitigation focus from Parent to entities	Complete/ Ongoing
3.3 EFFECTIVE HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	
a) Website, Social Media	
Update website directory and content	Complete/ Ongoing
Load Org Documentation for public access	Complete
b) Other Commas	
CIIC Communications Strategy in place	In Progress
Group Org Profile	Complete
Regular press releases	Complete/ Ongoing
Shared group resource	In Progress
Merchandise	In Progress





Top left: Punanga Nui Market, CIIC PNM Staff with Hon. George Angene, getting ready to welcome tourists back to the market following the announcement of the Cook Islands / NZ travel bubble. **Bottom left:** Dropping off supplies on Swarrow in February 2021 for the major renovations at the Swarrow shelter, completed in May 2021.

Top right: Signing of the CIIC / CISNOC MOU formalising the co-management arrangements at the National Stadium and National Indoor Sports Arena in the newly renovated Cabinet Room, Rarotonga. **Bottom right:** Staff and patients appreciating the major renovations to the Tupapa Outpatient to aid Covid-19 response efforts, completed in March 2021

OUR FUTURE

KEY PERFORMANCE TARGETS

The second part of this section looks at the plan ahead, detailing the KPAs, activities and timeline over the next 4 years.

OUR FUTURE KEY PERFORMANCE TARGETS FOR CROWN ENTERPRISES

1. Lead governance, oversight and development of Crown enterprises for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders			
1.1 EFFECTIVE GOVERNANCE OF STATUTORY ENTITIES			
One of CIIC's core functions is the "management and control of statutory entities" as stated in the 1998 CIIC Act. CIIC aims to be proactive in the governance of these investments by creating structures and systems for the sustainable management and maintenance of these assets.			
1.1a BOARD AND DIRECTOR MANAGEMENT		1.1b LEGISLATIVE DEVELOPMENT 2020/21	
<p>2021/22</p> <ul style="list-style-type: none"> Forward manage appointments 9 months in advance of term expiries Director Database with >100 directors Board performance review program implemented Chair training programme conducted on an annual basis Chair succession programme and Deputy appointments undertaken Rolling 6 monthly Expression of Interest (E.O.I) Director Information sessions in place <p>2022/23</p> <ul style="list-style-type: none"> Forward manage appointments 12 months in advance of term expiries Director Database with >150 directors Director Performance Framework in place including annual reviews Annual succession and training program in place for Board of Directors Review & implement enhanced Director Database system <p>2023/24</p> <ul style="list-style-type: none"> Review the Director Performance Framework in place Director Database with >150 directors Develop Associate director programme <p>2024/25</p> <ul style="list-style-type: none"> Develop Director Training Modules Develop CI IoD Branch / Centre of Excellence 		<p>2021/22</p> <ul style="list-style-type: none"> To Tatou Vai Legislation Cable Protection Legislation CIIC Group Captive Insurance Co Legislation Legislative Gap Analysis complete <p>2022/23</p> <ul style="list-style-type: none"> Refresh CIIC and SOE policy Refresh legislation within the CIIC Group Te Mana Uira o Araura Act Avaroa Cable Act <p>2023/24</p> <ul style="list-style-type: none"> Refresh legislation within the CIIC Group 	
1.1c STRATEGY MANAGEMENT			
<p>2021/22</p> <ul style="list-style-type: none"> Communicate Group SCI to public via Public Consultations Implement group strategy performance management framework programme, including group dashboards 		<p>2022/23</p> <ul style="list-style-type: none"> Develop and communicate public versions of individual entity SCIs <p>2023/24</p> <ul style="list-style-type: none"> Improved comms on strategy and SCIs across the Group 	

1.2 EFFECTIVE DEVELOPMENT AND INCUBATION OF CROWN ENTERPRISES			
CIIC inherits or develops as a result of its mandate, enterprises that have evolve from new national infrastructure initiatives and priorities. Such initiatives in recent times have involved the incorporation of a water and waste water services entity, the establishment of a joint venture representing Cook Island interests in the seabed minerals sector (DSM) and the establishment of a new entity to develop and manage the new submarine fibre-optic cable. It is incumbent on CIIC that these entities are supported by CIIC during the development phase, and likewise, business development initiatives are undertaken for existing entities on large and strategic initiatives.			
1.2a NEW ENTITY DEVELOPMENT		1.2b BUSINESS DEVELOPMENT	
<p>2021/22</p> <ul style="list-style-type: none"> Establish CIIC Group Captive Co Implementation of Cable, 'seizing the opportunity' plan adoption Sanitation portfolio incubation <p>2022/23</p> <ul style="list-style-type: none"> Broaden CIIC Group Captive Co remit (across Govt) Implement TTV meter tariff regime <p>2023/24</p> <ul style="list-style-type: none"> Define Sanitation Co / Handover of assets from Project Implement CIICSR Strategic Initiatives <p>2024/25</p> <ul style="list-style-type: none"> TTV mandate to be extended to Aitutaki 		<p>2021/22</p> <ul style="list-style-type: none"> Development of strategic alliances to drive infrastructure across SOE portfolio SOE pa enua service development reach programme <p>2022/23</p> <ul style="list-style-type: none"> Development financing programme for development and incubation <p>2023/24</p> <ul style="list-style-type: none"> Implement financing programme for development and incubation 	
1.3 EFFECTIVE SUPPORT AND ADVICE TO STATUTORY ENTITIES			
One of CIIC's core functions is the "management and control of statutory entities" as stated in the 1998 CIIC Act. CIIC aims to be proactive in the governance of these investments by creating structures and systems for the sustainable management and maintenance of these assets.			
1.3a COLLABORATION		1.3b PROCUREMENT	
<p>2021/22</p> <ul style="list-style-type: none"> Develop Group trainee, apprenticeships, scholarship programmes Shared and standardized policy work across Group Develop human capital, with succession planning focus <p>2022/23</p> <ul style="list-style-type: none"> Formal collaboration programme across Government agencies and SOEs Development of public / private collaboration programmes <p>2023/24</p> <ul style="list-style-type: none"> Review collaboration programme across Government agencies and SOEs 		<p>2021/22</p> <ul style="list-style-type: none"> Implement strategic procurement management programs Share standardized procurement program across the group <p>2022/23</p> <ul style="list-style-type: none"> Review strategic procurement management programs Review group procurement initiatives <p>2023/24</p> <ul style="list-style-type: none"> Identify and develop other strategic procurement opportunities across the Group 	
1.3c FINANCING			
<p>2021/22</p> <ul style="list-style-type: none"> Finalise Optimal CIIC Group Structure Report and progressively implement recommendations Implement Group Dividend Policy Implement CIG/CIIC/SOE PPP Policy <p>2022/23</p> <ul style="list-style-type: none"> Progressively implement recommendations from Optimal CIIC Group Structure Report Develop Group Treasury programme 		<p>2023/24</p> <ul style="list-style-type: none"> Progressively implement recommendations from Optimal CIIC Group Structure Report <p>2024/25</p> <ul style="list-style-type: none"> Progressively implement recommendations from Optimal CIIC Group Structure Report 	



National Auditorium Refurbishment

CIIC completed the National Auditorium Refurbishment in June 2021. Originally constructed 30 years ago, the National Auditorium had required significant works, especially to the roof structure, for a number of years. The project required a considerable amount of structural rehabilitation before the new roofing iron could be installed. Other works included replacements to flooring, walls, ceilings, seating and lighting in the Auditorium. The project involved CIIC directly employing a number of staff members directly, whose employment were affected by COVID-19 and strategic alliances with a number of suppliers, such as Raro Weld.

2.	Lead the effective development of Crown assets for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders	
2.1	EFFECTIVE OVERSIGHT OF GOVERNMENT INFRASTRUCTURE FOR THE ENTIRE PUBLIC SECTOR	
	Asset Development: Lead the effective development of Crown assets for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders	
	2020/21 <ul style="list-style-type: none"> Finalise CIG NIIP 2021 Adjust TOR to include AM mandate Communicate, consult re CIG NIIP 2021 	2021/22 <ul style="list-style-type: none"> Implement capital project monitoring and oversight regime programme
2.2	DEVELOPMENT AND MAINTENANCE OF A COMPREHENSIVE ASSET MANAGEMENT FRAMEWORK FOR THE ENTIRE PUBLIC SECTOR	
	2021/22 <ul style="list-style-type: none"> Implementing 5 priority improvement initiatives under the AMDP Stage 2 Complete 50% AM Stage 2 2022/23 <ul style="list-style-type: none"> Complete 100% AM Stage 2 Scope post stage 2 improvement initiative under the AMDP BAU AM Function post Stage 2 Integrate AM with FMIS 	2023/24 <ul style="list-style-type: none"> Unqualified Audit Opinion re PPE Robust AM system functioning across Government, including optimal asset planning tools functioning and preventative maintenance programme tools functioning
2.3	DEVELOPMENT OF NEW GOVERNMENT FACILITIES	
	2021/22 <ul style="list-style-type: none"> Secure capital funding, establish user pay framework and confirm forward phasing Vaikapuangi project and site clearance Receive signoff on Avarua Town Plan, Nikao Social Centre and Aitutaki Island Plan projects, secure funding and confirm forward phasing Finalise plan for Tereora College Stage 2, 3 and 4 Construct new Mental Health Facility Finalise plans for new QR residence 	2022/23 <ul style="list-style-type: none"> Commence Vaikapuangi construction works Finalise Rarotonga Prison Redevelopment Masterplan Commence construction of the new QR residence 2023/24 <ul style="list-style-type: none"> Commence Tereora College Stage 2 Continue Vaikapuangi Construction works
2.4	RAROTONGA AND PA ENUA BUILDING AN INFRASTRUCTURE PROJECTS	
	2021/22 <ul style="list-style-type: none"> Implement Mangaia Government facilities programmes Commence BCI Stadium works Implement Arutanga Harbour Channel dredging Provide disability access at the Ministry of Justice Implement Manihiki Government facilities programmes Implement Rakahanga Government facilities programmes Finalise Plans for Manihiki and Rakahanga Government Buildings Project 	2022/23 <ul style="list-style-type: none"> Continue 3 Building Repair Programme Continue BCI Stadium works Continue Mangaia Government Buildings Project Continue Manihiki Government facilities programmes Continue Rakahanga Government facilities programmes 2023/24 <ul style="list-style-type: none"> Continue Manihiki Government facilities programmes Continue Rakahanga Government facilities programmes 2024/25 <ul style="list-style-type: none"> Complete Manihiki and Rakahanga Government Buildings Project

3.	Asset Management: Lead the effective management of Crown assets for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders	
3.1	GOVERNMENT REPAIR AND MAINTENANCE PROGRAMMES	
	Corporate services provide critical support to CIIC's Minister, Cabinet, CIIC's Board, Executive, Management and Divisions to effectively deliver CIIC's vision and services, including administrative, secretarial and financial support. The corporate services function also ensures the corporation complies with legislation, policies, financial standards and regulations.	
	2021/22 <ul style="list-style-type: none"> Enter into MoUs with Ministry of Education and TMO wrt Building R&M 	2022/23 <ul style="list-style-type: none"> Develop R&M Portal and Management System Enter into MOUs with other Agencies wrt Building R&M Enter into MOUs with Island Councils wrt Building R&M
3.2	EFFECTIVE FINANCIAL AND RISK MANAGEMENT	
	Providing robust financial and risk management reporting and disciplines for the Group is critical for the organization in achieving its vision, mission and deliverables for the Cook Islands people.	
	3.2 FINANCIAL MANAGEMENT 2021/22 <ul style="list-style-type: none"> Re-configure School Security arrangements Establish National Stadia Co Governance Arrangements with CISNOC Implement QA arrangements with regard to public facilities Finalise Punanganui Market strategy and long term plan 	2022/23 <ul style="list-style-type: none"> Investigate synergies of facility management across Government, SOEs and CIIC Start improvements of PNM market & Constitution Park Start improvements to Aitutaki Island Plan reserve areas 2023/24 <ul style="list-style-type: none"> Develop public reserve policies and protocols 2024/25 <ul style="list-style-type: none"> Complete improvements of PNM market & Constitution Park
3.3	PUBLIC HOUSING DEVELOPMENTS	
	The Group's most important assets are its people, and this key performance area centres on the development of our people, effectively training staff for their roles, both professionally and personally, and having effective succession planning in place for senior roles.	
	2021/22 <ul style="list-style-type: none"> Sign Off Housing Policy Conclude National Housing Study – Phase 1 2022/23 <ul style="list-style-type: none"> Implement Housing Policy Conclude National Housing Study – Phase 2 Complete 2 x 3 bedroom houses, Nikao 	2023/24 <ul style="list-style-type: none"> Complete 2 x 3 bedroom houses, Hospital 2024/25 <ul style="list-style-type: none"> Complete 2 x 3 bedroom houses, Hospital

Parliament House
CIIC assisted with the Parliament House renovation, including availing a number of its properties maintenance team to assist with this project.



4.	Land Management: Lead the effective management of Crown land for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders	
4.1	DEVELOP AND REFINE LAND MANAGEMENT POLICIES AND PROTOCOLS	
	Land Management: Lead the effective management of Crown land for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders	
	2021/22	2022/23
	<ul style="list-style-type: none"> Develop Public Land Policy 	<ul style="list-style-type: none"> Implement Public Land Policy Develop on-line inhouse and public, Public Land Management System
4.2	ADDRESS HISTORIC LAND TENURE MATTERS INCLUDING LEASE RENEWALS	
	2021/22	2023/24
	<ul style="list-style-type: none"> 95% of Rarotonga Land Tenure Matters with Landowners are Current and Up to Date 85% of Pa Enuā Land Tenure Matters with Landowners are Current and Up to Date 100% of Land Tenure Matters with Crown as Lessor are Current and Up to Date 	<ul style="list-style-type: none"> 97.5% of Rarotonga Land Tenure Matters with Landowners are Current and Up to Date 95% of Pa Enuā Land Tenure Matters with Landowners are Current and Up to Date 100% of Land Tenure Matters with Crown as Lessor are Current and Up to Date
	2022/23	2024/25
	<ul style="list-style-type: none"> 97.5% of Rarotonga Land Tenure Matters with Landowners are Current and Up to Date 90% of Pa Enuā Land Tenure Matters with Landowners are Current and Up to Date 100% of Land Tenure Matters with Crown as Lessor are Current and Up to Date 	<ul style="list-style-type: none"> 97.5% of Rarotonga Land Tenure Matters with Landowners are Current and Up to Date 97.5% of Pa Enuā Land Tenure Matters with Landowners are Current and Up to Date 100% of Land Tenure Matters with Crown as Lessor are Current and Up to Date
4.3	BUILD AND MAINTAIN CONSTRUCTIVE RELATIONSHIPS WITH LANDOWNERS AND TENANTS	
	2021/22	2022/23
	<ul style="list-style-type: none"> Recruit and resource land management function 	<ul style="list-style-type: none"> Develop effective comms strategy in relation to land management matters

5.	Support the responsible Minister, Cabinet, Board of Directors, Directors, Management and staff across the Group to effectively govern and manage across the Group for the effective delivery of services to the Public and ensuring the sustainable improvement of the wellbeing for all Cook Islanders	
5.1	EFFECTIVE SECRETARIAL SUPPORT AND POLICY DEVELOPMENT	
5.1a	EFFECTIVE SECRETARIAL SUPPORT	5.1b POLICY DEVELOPMENT
	2021/22	2021/22
	<ul style="list-style-type: none"> Broader rollout of director Diligent / IT tools and usage of added functionality to improve secretarial efficiencies Group SCI profile and presentation to Cabinet 6 monthly briefings with Cabinet 	<ul style="list-style-type: none"> Develop Dividend Policy Develop CSO Policy Develop Public Land Policy Implement Housing Policy
	2022/23	2022/23
	<ul style="list-style-type: none"> Board Committee templates to rollout across the Group 	<ul style="list-style-type: none"> Develop CIIC Group / SOE Policy Refresh Corporate Governance Policy Develop Water Policy Revise Energy Policy Government Building Policy
5.2	EFFECTIVE FINANCIAL AND RISK MANAGEMENT	
5.2a	FINANCIAL MANAGEMENT	5.2b RISK MANAGEMENT
	2021/22	2021/22
	<ul style="list-style-type: none"> Half Yearly CIIC Group Consolidated Reporting Regime established Rolling Half Yearly Group Forecasts established 	<ul style="list-style-type: none"> Group Quarterly Risk Management Summary Report Key risk group mitigation focus from Parent to entities Collectivise additional selected Insurance Policies across Group Establish CIIC Group Captive Co
	2022/23	2022/23
	<ul style="list-style-type: none"> Establish CIIC Group Annual Report Clear CIIC and CIGPC Group PPE Audit Qualification Financial Reporting Data Warehouse implementation 	<ul style="list-style-type: none"> Strategic Risk Management Programme Embed better Group H&S Protocols and Reporting
5.3	EFFECTIVE COMMUNICATIONS	
	2021/22	
	<ul style="list-style-type: none"> Finalise Communications Strategy Develop Merchandise Intranet Development 	
	2022/23	
	<ul style="list-style-type: none"> CIIC Group Org Profile Group Comms Resource Sharing Programme 	
	2023/24	
	<ul style="list-style-type: none"> Online Public Online Resources re Land and Assets B2B Capability Developed 	

Te Mato Vai Papua Intake
Landowners Recognition
Ceremony, May 2021



PALMERSTON ISLAND EMERGENCY MANAGEMENT CENTRE

Supported by: Japan Aid



Government of the Cook Islands

Constructed: October 2018
Completed: February 2019



OUR SOES AND CCES

This section provides a summary of the CIIC Group. Each entity prepares their respective SCIs and are summarized below.



Rarotonga Airport Slab Replacement

Airport Authority (AA)

The Airport Authority Cook Islands (ACCI)'s vision is to attain the highest standards of efficiency in our airports and its mission is facilitating the safe and efficient movement of aircraft and passengers through the Cook Islands. This is achieved through ACCI's commitment to aviation safety standards, preserving high levels of staff competencies and confidence in quality and safety management systems.

The international travel restrictions caused by COVID-19 continues to give uncertainty to the norm of business. The restrictions of boarder control have greatly affected the aviation industry posing a threat to the recovery of the economy. As such, the AACI are working with the CIIC to manage its risk and develop solutions to mitigate the effects of COVID-19 on the entity. The Airport Authority will be a vital asset in contributing to the growth and development of the Cook Islands once the border restrictions are safely lifted and the number of flights per week gradually increase.

The Airport Authority continues to support its tenants by offering reduced rentals and deferment arrangements.

KEY ACHIEVEMENTS:

- COVID-19 support essentially maintaining the AA workforce and offering relief to tenants
- The project to undertake joint sealing of the runway and to stabilise cracked concrete slabs has commenced in early 2021 and will continue throughout the 2021 calendar year;
- Completion of the refurbishment of the hangar at the Airport

OUTLOOK:

- Ensuring ongoing safety management system compliance
- Further capital investments such as acquiring the land needed to construct a runway end safety area (RESA)
- Upgrading the airport storm water/drainage system
- Rebuilding part of the Aitutaki runway strip
- The Compound Project to further enhance the Cable Landing Stations (CLS)



Avaroa Cable Landing Station

Avaroa Cable Limited (ACL)

Avaroa Cable Limited is a Cook Islands limited liability company and the implementing entity for the Manatua Cable. The Manatua Cable enables the provision for reliable, high-capacity bandwidth internet at affordable prices for the Cook Islands. The fibre optic submarine cable is a 3600km long two fibre pair system connecting Apia in Samoa, Niue, Rarotonga and Aitutaki in the Cook Islands, Tahiti and Bora Bora in French Polynesia deployed in 2019-20.

Avaroa Cable Limited (ACL) is the Pacific's newest international fibre operator providing wholesale connectivity services in the Cook Islands. ACL is a crown corporate entity that manages the Cook Islands involvement in the Manatua Cable project and its commercialisation as an international and domestic wholesale operator.

ACL's vision is to ensure the Cook Islands have access to world class telecommunications services and the socio-economic opportunities that will be created.

KEY ACHIEVEMENTS:

- The Manatua Cable has successfully landed to Aitutaki and Rarotonga and the Cable Landing Station enclosures are installed on site in Aitutaki and Rarotonga and currently undergoing commissioning and testing works
- ACL has received its operating license from the Telecommunications Regulator
- ACL named Overall Winner of the "Broadband World Forum Awards 2020" for the category for biggest broadband impact

OUTLOOK:

- Commercialising the Manatua Cable with capacity sales to retailers in the Cook Islands and potentially beyond
- The tabling of the Cable Protection Bill
- Contracting with the successful bidder for Indefeasible Right of Use Onward Connectivity (IRU)
- The Compound Project to further enhance the Cable Landing Stations (CLS)



Bank of the Cook Islands (BCI)

The Bank of the Cook Islands (BCI's) vision is a "full service bank for Cook Islanders" and its mission as "through business transformation delivering financial services that empower customers and promote social responsibility and environmental stewardship, which serves and inspires the people of the Cook Islands". BCI does this through the commitment to providing commercial banking services in Rarotonga and throughout the Pa Enua through business transformation and delivering financial services that will empower customers and promote social responsibility and environmental stewardship and such that BCI produces sound financial returns in a compliant manner and serves to inspire the BCI team and the people of the Cook Islands.

KEY ACHIEVEMENTS:

- Significant support to customers and the wider public amidst the COVID-19 economic response landscape
- Despite the COVID-19 landscape the bank has maintained its financial position, delivering stable returns, coupled with prudent financial management;

- Expanding the digital services offered to existing and new customers not limited to and including internet banking.
- Currently renovating ground floor operations to ensure Cyclone Certification standards are met

OUTLOOK:

- Investment in new products and services, while ensuring a sustainable financial structure;
- Assessing the short and medium-term risks associated to forecast changes in the operating environment including economic conditions, competition, changing customer behaviour and expectations, and technological developments
- Partnering with Government on delivery various financial service action items embedded in the Economic Development Strategy over the medium to long term

Cook Islands Ports Authority (CIPA)

The Cook Islands Ports Authority's vision is to "Provide Effective and Efficient Seaport Infrastructure to sustain Trade and Commerce". The principal objectives of CIPA are to promote, encourage and operate a commercially viable and efficient business in the country's supply chain and develop growth opportunities from its asset base which include Crown land and buildings, wharves, port facilities, tug boats, barges, plant and equipment, storage sheds and open storage space. CIPA is the sole sea port services provider maintaining and operating the Port of Avatiu, the alternative Cruise Ship Tender landing in Arorangi, and the Port of Arutanga in Aitutaki. CIPA serves the cross-border supply chain needs of most of the Cook Island's trade goods.

KEY ACHIEVEMENTS:

- COVID-19 support essentially maintaining the CIPA workforce and offering relief support assistance to tenants
- Awarding the construction contract and commissioning construction of the Avatiu Harbour new Tug Boat;
- Aitutaki Port forklift procurement completed with shipment to Aitutaki to be finalised;
- Completion of another Arutanga harbour concrete wharf decking extension;

- Completion of Avatiu Harbour carbon footprint assessment (GHG Emission) report for the fiscal year 30 June 2020

OUTLOOK:

- Implementation of Ports operation digitization project;
- Completion, trialling and delivery of Avatiu Harbour new Tug boat later this year;
- Investment in a new or second-hand crane (up to 90 ton) for Arutanga Port to increase lifting capacity for loading and offloading cargo and lifting barge out of the water for annual hull maintenance;
- Deepening and widening the existing Arutanga harbour channel and basin to provide safer berth for yachts, cruise ship tendering and container vessel cargo discharge operations;
- Extend the carbon footprint (GHG Emission) reporting to Arutanga Harbour for the year end to 30 June 2021;
- Arutanga Harbour concrete wharf decking extension and sheet piling continue towards the north;
- Deepening Avatiu Harbour outer entrance and widening the passage



Te Aponga Uira (TAU)

TAU’s mission is to “engage suppliers and consumers to engage confidently, while embracing the benefits of new technologies that support a greener way of life for Rarotonga, the wider Cook Islands and its residents.” The primary function of Te Aponga Uira (TAU) is the provision of electricity to the people of Rarotonga in a reliable, safe and economical manner. Over the past decade TAU has focused on developing generation from renewable solar energy sources. TAU also supports the Pa Enea energy infrastructure through the provision of technical advice to, Island Councils who provides electricity service to Pa Enea households and businesses.

KEY ACHIEVEMENTS:

- Unprecedented support to assist Rarotonga households and businesses amidst the COVID-19 landscape
- Ongoing scoping in both the infrastructure associated with achieving the national renewable energy (RE) target and general infrastructure
- Extensive support to the Pa Enea with regards to their RE infrastructure

OUTLOOK:

- Ongoing investments in both the infrastructure associated with achieving the national renewable energy (RE) target and general infrastructure.
- Reorienting TAU’s structure and resource allocation to priority areas

- A review of existing customer tariffs with a view to expanding its product offers and utilizing price signals that encourage the achievement of the renewable energy goals in partnership with the private sector suppliers and customers.

Te Mana Uira o Araura (TMU)

Te Mana Uira o Araura’s (TMU) vision is to “provide an efficient, reliable, affordable and sustainable electricity service for Aitutaki.” TMU is a subsidiary of CIIC and there are further funding discussions for phase 2 and anticipate that once phase 2 is completed, TMU is expected to generate approximately 50% of Aitutaki’s electricity demand.

KEY ACHIEVEMENTS:

- Unprecedented support to assist Aitutaki households and businesses amidst the COVID-19 landscape
- Completion of the Meter reading system
- Completion of the comprehensive strategy refresh and Statement of Corporate Intent
- Complete upgrading of the Manu , Hospital and Ooka Substation to 11,000 Volt which were previously supplied on 3300 Volt
- Complete upgrading 1000 mtrs of Overhead power lines to underground cabling



OUTLOOK:

- Commencement of the stage 2 and 3 renewable energy project feasibility and implementation. Phase 2 is expected to generate an additional 30 per cent of Aitutaki’s electricity demand;
- Further investment in capital expenditure initiatives such as the installation of various substations and underground wiring projects;
- To develop and review of TMU’s operational policies;
- Apprentice training and succession planning initiatives

To Tatou Vai Limited (TTVL)

To Tatou Vai Limited’s (TTVL) vision is to have “a community trusted supplier of water services” with a mission of “a reliable water supply that is safe to drink – improving the wellbeing of our Cook Islands people”. TTVL has begun establishment as a Water Supply Utility for delivery of a potable and reliable water supply service (initially) in Rarotonga and TTVL will ultimately assume responsibility for the Te Mato Vai (TMV) Project (Stages 1 and 2) assets and incorporating the existing water and

associated fixed assets of Infrastructure Cook Islands (ICI). TTVL is a stateowned-enterprise, currently a limited liability company, pending the passage and assent of enabling legislation expected in 2021/2022.

KEY ACHIEVEMENTS:

- Handover of water assets from Te Mato Vai to TTV
- Relocation of TTVL’s administration office to the Airport Authority compound in Nikao
- Upgrade of water station networks, and various tanks and reservoirs across Rarotonga
- Regular and effective communication being issued to the public.

OUTLOOK:

- Adoption of Government mandated water treatment standards and protocols
- Commencement of the water meter project in the 22/23 financial year
- Commence of the final Rarotonga north eastern 20km sub and branch main pipe project, as scoped under the TMV Project

OUR CONTRIBUTION TO THE COOK ISLANDS

There are numerous direct and indirect benefits (community service obligation costs) that CIIC and its statutory entities provide to the Cook Islands.

A small fraction of the costs in delivering these benefits are tied to specific POBOCs/ contributions. It is estimated that the CIIC Group spends \$5 in every \$100 of revenue on community service obligation costs. The CIIC Group is committed to sustaining that level into the future. We have listed below some examples of benefits CIIC's statutory entities contribute to the community.

Powering The Country

Te Aponga Uira (TAU) provides street lighting to Rarotonga. Te Mana Uira o Araura (TMU) also provides street lighting to its island of Aitutaki. TMU has supported Churches on Aitutaki for a number of years. TAU is a major sponsor for a number of community and sporting events. These are a few examples of many initiatives TAU and TMU delivers to their respective communities.

Our Seaport

The Ports Authority is responsible for ensuring the effective inward and outward flow of passengers and products, essential to our economy and modern way of life. In giving to the community, the Port Authority provides free berthage for inter-island shipping, ensuring our Pa Enua are connected to each other and the rest of the World.

Our Gateway

The Airport Authority manages the gateway to the Cook Islands. The Airport Authority receives a modest level of funding from the Government to undertake its operations, in essence providing a subsidy for the greater good of the nation. The airport provides a crucial service to the community in the form of fire response and protection.

Banking Services

The Bank of Cook Islands (BCI) provide banking services on Rarotonga and to the Pa Enua (outer Islands). The Pa Enua (outer islands) services come at a cost and are uneconomic to operate as a result of low customer and transaction levels. The Bank of Cook Islands also sponsors a range of causes throughout the Cook Islands, including the Young Enterprise Scheme with Cook Islands Chamber of Commerce, Year 10 Business Challenge with Ministry of Education, Gold Sponsor for Tourism Awards, Annual Gold Sponsor for Te Maeva Nui and various sporting codes and performing arts events

In addition, to the ongoing direct and indirect benefits (community service obligation costs) that CIIC and its statutory entities provide to the Cook Islands, additional support has been provided in light of the impact that COVID-19. Entities within the CIIC Group have provided additional support including discounted power, rental relief and the facilitation of loan interest relief packages.



APPENDIX 1: DETAILED FINANCIALS

The key financial results and ratios of the CIIC Group are set out in the following table:

Group	Note	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Total Revenue		60,279	66,828	69,281	60,931	68,131	76,150	81,737	87,487
Total Revenue excl approp & Aid		47,718	54,411	50,280	41,930	50,136	57,794	63,014	68,390
EBITDA	1	22,087	24,755	15,456	4,506	12,262	17,770	26,690	32,066
NPBT	2	13,022	14,482	5,613	-5,337	2,419	7,927	16,847	22,223
Community Service Costs		2,400	2,800	4,000	14,000	2,800	2,800	2,800	2,800
Total Assets		352,542	370,305	403,286	518,943	565,886	593,986	624,086	654,186
Total Shareholder Funds		230,902	250,357	259,474	398,995	433,395	459,495	487,595	491,374
Total Liabilities		121,640	119,948	143,812	143,812	156,812	158,812	160,812	162,812
Total Staff Costs		11,031	12,155	13,913	14,261	14,617	14,983	15,357	15,741
Total Employees		260	273	288	293	298	303	308	313
Total FTEs	3	208	218	230	234	238	242	246	250
Operating Cash-flows		4,161	18,547	15,456	4,506	12,262	17,770	26,690	32,066
Equity Injection By Owners		0	0	0	0	0	0	0	0
Total Dividends Paid		2,813	4,946	1,760	0	600	600	1,200	1,200
Revenue mvmt Excl & Aid Growth	4	12%	14%	-8%	-17%	20%	15%	9%	9%
Revenue Per FTE	5	\$229	\$250	\$219	\$179	\$211	\$239	\$256	\$274
Csc / Revenue %	6	4%	4%	6%	23%	4%	5%	5%	5%
EBITDA Per FTE	7	\$106	\$114	\$67	\$19	\$52	\$73	\$108	\$18
Asset Growth	8	2%	5%	9%	29%	9%	5%	5%	5%
Return On Assets	9	3.69%	3.91%	1.39%	-1.36%	0.43%	1.33%	2.70%	3.40%
Return On Equity	10	5.64%	5.78%	2.16%	-1.42%	0.59%	1.82%	3.64%	4.52%
Debt To Assets	11	35%	32%	36%	28%	28%	27%	26%	25%
Current Ratio	12	0.9	0.8	0.8	1.0	1.0	1.0	1.0	1.0

The Group financial forecasts shows the effects of COVID on earnings (EBITDA and NPBT) in 2021 and 2021, with earnings returning to pre COVID conditions in 2024. The forecasts also show a significant growth to the Group's asset base over the next 3 years. The asset growth is derived from the the transfer of assets to To Tatou Vai and the capital expenditure programmes of CIIC's SOEs in particular Airports and TAU.

The key financial results and ratios of the CIIC Parent are set out in the following table:

Parent	Note	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Total Revenue		12,392	7,883	8,823	5,500	5,500	5,500	5,500	5,500
Total Revenue excl & Aid		1,879	2,595	771	750	750	750	750	750
EBITDA	1	533	1,128	433	250	250	250	250	250
NPBT	2	495	1,064	200	200	200	200	200	200
Community Service Costs		250	250	250	250	250	250	250	250
Total Assets		4,951	5,000	5,100	5,200	5,300	5,400	5,400	5,400
Total Shareholder Funds		1,503	1,286	1,486	1,798	1,998	2,198	2,398	2,598
Total Liabilities		3,448	3,714	3,614	3,402	3,302	3,202	3,002	2,802
Total Staff Costs		922	1,400	1,400	1,624	1,624	1,624	1,624	1,624
Total Employees		40	50	50	50	50	50	50	50
Total FTEs	3	38	45	45	45	45	45	45	45
Operating Cash-flows		-3,392	1,495	250	250	250	250	250	250
Equity Injection by Owners		159	0	0	0	0	0	0	0
Total Dividends Paid		255	1,068	500	0	600	600	1200	1200
Revenue mvmt excl & Aid Growth	4	18%	38%	-71%	(-3%)	0%	0%	0%	0%
Revenue per FTE	5	\$326.11	\$175.18	\$122.22	\$122.22	\$122.22	\$122.22	\$122.22	\$122.22
CSC / Revenue %	6	2%	3%	5%	5%	5%	5%	5%	5%
Current Ratio	12	1.1	1.3	1.0	1.0	1.0	1.0	1.0	1.0

Notes:

- EBITDA** = Earnings Before Interest Tax Depreciation and Amortisation
- NPBT** = Net Profit Before Tax
- FTE** = Full Time Equivalents
- REVENUE MOVEMENT**: Illustrates the growth of the Group from a revenue perspective.
- REVENUE PER FTE**: Illustrates how much each full time employee generates at a top-line level.
- CSC / REVENUE**: Illustrates how much the Group gives back to the community.
- EBITDA PER FTE**: Illustrates how much each full time employee contributes to the bottom-line (productivity).
- ASSET GROWTH**: Illustrates the growth of the Group from an asset perspective.
- RETURN ON ASSETS**: Illustrates the return generated from asset value.
- RETURN ON EQUITY**: Illustrates the return generated from shareholder capital.
- DEBT TO ASSETS**: The debt to total assets ratio is an indicator of financial leverage. It tells you the percentage of total assets that were financed by creditors, liabilities, debt. The debt to total assets ratio is calculated by dividing a corporation's total liabilities by its total assets.
- CURRENT RATIO**: Mainly used to give an idea of a company's ability to pay back its liabilities (debt and accounts payable) with its assets (cash, marketable securities, inventory, accounts receivable). As such, current ratio can be used to make a rough estimate of a company's financial health.

APPENDIX 2: ACCOUNTING POLICIES

Cook Islands Investment Corporation is domiciled in the Cook Islands and incorporated under the Cook Islands Investment Act 1998. Its financial statements comply with the Act. The consolidated financial statements comprise the Corporation and its subsidiaries (the "Group") and the Group's interests in associates. The Corporation is an in-substance subsidiary of the Cook Islands Government. The consolidated financial statements of the Group have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS).

The Group financial statements are prepared on the historical cost basis modified for the revaluation of certain assets. The consolidated financial statements are presented in New Zealand dollars, which is the functional and reporting currency of the Group and all values are rounded to the nearest thousand (\$000) except where indicated otherwise.

The controlled entities are all those entities (including special purpose entities) over which the controlling entity has the power to govern the financial and operating policies. Controlled entities are fully consolidated from the date on which control is transferred to the controlling entity. They are de-consolidated from the date that control ceases. Inter-group transactions, balances and unrealized gains and losses on transactions between members of the group are eliminated in full. The accounting policies of the controlled entities are consistent with the policies adopted by the controlling entity.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Investments in associates and jointly controlled entities are accounted for using the equity method and are recognised initially at cost. The cost of the investment includes transaction costs.

The Group financial statements are prepared in accordance with IPSAS. There are a number of critical accounting treatments which include complex or subjective judgments and estimates that may affect the reported amounts of assets and liabilities in the financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Further detail in respect of the accounting policies for the Group is set out in the Cook Islands Investment Corporation Annual Group Financial Statements for the year ended 30 June 2019.

The Group financial statements are currently audited by KPMG. There are various historic matters for entities within the group that have resulted in qualified audit reports or an emphasis of matter in the audit report. CIIC in conjunction with the auditor have cleared many of these historical matters (including the qualification on lease commitments) and there remains only one qualification with regard to the ownership, completeness and valuation of Property, Plant and Equipment. CIIC management in conjunction with the auditors have throughout the nation) to remove this qualifications part of the 2021 and 2022 audit programme.

The group financial forecasts have been compiled based on the best knowledge available and in the current COVID-19 environment there is a higher degree of uncertainty, though CIIC believe these are prudent forecasts. The group forecasts include financial projections from each entity across the group. The financial projections include continuation of baseline government support as outlined in the Government's 2020 - 2024 Budget. The forecasts also include other assumptions applied on the Valuation, transfer and securing of funding in relation to group capital expenditures.

Definitions of key terms and acronyms.

AA – Airport Authority
ACL – Avaroa Cable Limited
ADB – Asian Development Bank
AMCI – Asset Management Cook Islands
AM – Asset Management
AMO – Asset Management Officer
APS – Aitutaki Power Supply
B2B – Business to Business
BCI – Bank of the Cook Islands
BCCL – Banana Court Company Limited
BCIH – Bank of the Cook Islands Holding Company
BD – Business Development
BESS – Battery Energy Storage System
CAPEX – Capital Expenditure
CCE – Crown Controlled Entity
CCZ – Clarion Clipperton Zone
CCFZ – Clarion Clipperton Fracture Zone
CEO – Chief Executive Officer
CFO – Chief Financial Officer
CI – Cook Islands
CIG – Cook Islands Government
CIBC – Cook Islands Broadcasting Corporation
CIGPC – Cook Islands Government Property Corporation
CIIC – Cook Islands Investment Corporation
CIIC Act – Cook Islands Investment Corporation Act 1998
CIISCR – CIIC Seabed Resources Limited
CIPA – Cook Islands Ports Authority
CIPCNZ – Cook Islands Property Corporation (NZ) Limited
CITH – Cook Islands Telecommunications Holdings Limited
CITAL – Cook Islands Telecommunications Assets Limited
Comms – Communications
COVID / COVID-19 – Coronavirus Disease 2019
CSC – Community Service Costs
CSO – Community Service Obligation
DSM – Deep Sea Minerals
EBITDA – Earnings Before Interest Tax and Depreciation
EEZ – Exclusive Economic Zone
FTE – Full Time Equivalents
FMIS – Financial Management Information System
GDP – Gross Domestic Product
GFDD – Government Facility Development Division
GFA – Grant Funding Agreement
GM – General Manager
HRM – Human Resource Management
IC – Infrastructure Committee

APPENDIX 3: GLOSSARY

ICI – Infrastructure Cook Islands
ICT – Information Communication Technology
Info – Information
IPSAS – International Public Sector Accounting Standards
IT – Information Technology
JV – Joint Venture
KPA – Key Performance Area
KPI – Key Performance Indicator
MFEM – Ministry of Finance and Economic Management
MW – Mega Watt
MWh – Mega Watt hour
NIIP – National Infrastructure Investment Plan
NPBT – Net Profit Before Tax
NSDP – National Sustainability Development Plan
NZ – New Zealand
OPM – Office of the Prime Minister
Org – Organisation
PA – Ports Authority
Pa Enea – Grouping of Islands
PM – Prime Minister
PNM – Punanga Nui Market
POBOC – Payments on Behalf of the Crown
PPE – Property Plant and Equipment
PPP – Public Private Partnership
PRC – Peoples Republic of China
PV – Photovoltaic
RE – Renewable Energy
REDD – Renewable Energy Development Division
Rem – Remuneration
RESA – Runway End Safety Area
ROE – Return on Equity
SCI – Statement of Corporate Intent
SOE – State Owned Enterprise
SPU – Special Projects Unit
TA – Technical Assistance
TAU – Te Aponga Uira o Tumu te Varovaro
TMM – Te Marae Moana
TMU – Te Mana Uira o Araura
TMV – To Mato Vai
TOR – Terms of Reference
TSA – Indoor (Telecom) Sports Arena
TTV – To Tatou Vai Limited
Vaikapuangi – Centralized government building development located on a number of properties on Takuvaine Road
V2G – Vehicle to Grid
WG – Working Group

