



NEXT OUTLOOK BREAKFAST 26.11.19

Transforming Taitokerau for Good

Iwi and Philanthropy Investing
Together for Change

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NEXT
FOUNDATION
Investing in our land, our people

RANGIMARIE – The history of iwi/Maori/Amokura, The He Tangata, He Whenua, He Oranga Report, and the Whakapapa Of This Journey

E rau rangatira ma tena tātou katoa. Te mea tuatahi ki te kaikarakia tenei he mihi aroha kia koe mo to whakahonore ki to tatou Matua nui i te rangi, ko la te timantatanga me te whakaoti o ngā mea katoa.

He mihi hoki ki ngā mana whenua o tenei rohe ātaahua o Tāmaki Makaurau, he mihi nui ki a koutou. Ki te poari whakahaere o Next Foundation he mihi ana, he mihi ana.

Ko Rangimarie Price toku ingoa. He uri ahau o Te Ati Haunui a Pāpārangi, Whakatōhea me Ngāi Tai ki Torere. Te tumu whakaarae ahau o Amokura Iwi Consortium Ltd.

- It is my privilege to work with Taitokerau Iwi who share strong kinship ties embedded in tikanga derived across millennia and mana born from the land that they have occupied for over 1000 years. Evidence that Aotearoa's history is old and it is Maori.
- They are also shareholders in Amokura and their CEOs are my directors.
- While Amokura is only 2 years old, Iwi CEOs having been working collaboratively for 17 years on the shared interests of their respective iwi.
- Their mission is to create an environment that enables their people to authentically live lives that they value and have reason to value and where the life supporting capacity of Papatuanuku is upheld in perpetuity.
- In 2015, Taitokerau iwi released the first regional economic growth strategy produced through a tikanga framework called He Tangata, He Whenua, He Oranga for the Taitokerau Maori economy based on analysis that found it to be a developing economy within a developed economy.
- This means higher levels of poverty, inequality, stressed environmental resources, 60% of our people had little to no qualification, 60% gap in productivity with the non Maori regional economy. On top of this are the growing levels of suicide, addiction, chronic illness, incarceration, exposure to climate change impacts....



1. Manuka Henare, "A Māori Philosophy of Vitalism and Cosmos; Tapu, Mana, Mauri, Hau, Wairua: pg 213

- A developing economy needs policy and investment responses to be tailored to meet its complex needs. That hasn't happened with sufficient precision to get the cut through that's wanted.
- For transformation to occur Iwi decided to take charge because we needed something that had deep impact, is high touch and authentically connected to who we are.
- Taitokerau kawa and tikanga is the channel for that to occur.
- Kawa is the cosmological, spiritual and philosophical life forces that are at the core of the Māori worldview. It is a way of systematically linking humanity and environment in a relationship of reciprocity and respect' by applying Māori systems thinking. It compels us to use growth to look after the wellbeing of people and our planet.

JOHN – A New Front Door

For The Tindall Foundation (TTF), this story started back in 2017 with a new front door...

One of the things that had continued to nag away at us was what we'd done - or perhaps not yet been able to do - in Northland/Taitokerau.

We understand it's a region with concentrated, multidimensional levels of poverty where integrated, systemic solutions are needed - a combination of things like jobs, housing, higher incomes, better health, and local economic development – where one of those on its own isn't enough.

We know sadly, that Maori living there are especially affected.

However, several of TTF's previous attempts to support transformational change in that region haven't had the impact we'd hoped. That was due to a number of factors, but mostly because we had 'parachuted' outsiders into the community with solutions not generated by people who actually lived there.

So we knew that if we were going to make a difference in Taitokerau, especially for Maori, we needed a new way of doing things. That new way started with going through a new 'Front Door' – through the doorway of mana whānau.

In late 2017, we were introduced to the Amokura Iwi Consortium and their plan for Maori economic development – He Tangata, He Whenua, He Oranga.

Stephen and I attended a hui with the Consortium in Whangarei. We introduced ourselves and what we were on about. We simply offered our help with implementing the Plan.

A week or two later, Rangimarie came back to me with a request. She asked if we could help them understand this thing called Impact Investment and how it could help deliver economic development for Maori in Taitokerau.

Impact Investing is making investments with the intention of generating measurable, social or

environmental impact as well as a financial return. It comes in lots of forms – loans, equity, bonds etc – but essentially it brings private capital to the table. Sometimes it does that in partnership with Govt, philanthropic, or - in this case - iwi funding. Investments are usually in things like housing, healthcare, education, clean energy, and agriculture.

While it's still reasonably new, the global impact investing market is already estimated to be around \$500 billion USD - with impact investment funds now in over 40 countries and growing quickly. Given the rise of consumer-led movements for change, and the challenges to corporates' social licences to operate, along with issues of social inclusion, sustainability and climate change and so on, Impact Investment is seen as the future direction of investment as a whole.

So, to Rangimarie's request – and without knowing where that might lead us, we said yes...

RANGIMARIE - What is Transforming Taitokerau For Good and How Does It Work?

Victor Hugo said “There is nothing more powerful than an idea whose time has come”.

Impact investment is not a new concept to Maori. Te Ao Maori is an impact approach whose time has come and offers the litmus test for what meaningful impact looks like from the point of view of the target audience.

Transforming Taitokerau for Good channels impact investment through a tikanga lens.

It is a collectively Iwi led, self-sustained platform to deliver long term, large scale, high impact investment for Taitokerau Maori.

We are establishing 3 new entities with the expertise to bring forward high impact projects and with access to the funding to invest in them.

The 3 entities are:

- Transforming Taitokerau Trust who will have ultimate control of TTFG ensuring Iwi ownership and all activity is in line with the purpose
- Project development entity: brings through the pipeline of Maori led high impact projects so that they are investment ready
- An investment entity with an initial three limited partnership impact funds, one for people based impact investment, one for planet based impact investment and one for impact investment into regenerative businesses

The structure delivers.

- Access to cheaper financing because the investments are shaped through our tikanga based systems lens and so deliver investors greater social, cultural and environmental benefits; and
- Savings from Iwi collaborating – on pooling their projects and on streamlining project development - stays with TTFG and is used to support project development and investment readiness

Projects will be:

- By Maori for Maori
- Tikanga led
- Investment driven
- Measurable and meaningful impact

TTFG will be extending how impact investment works, developing new impact investment models that deliver for the most underserved e.g. housing on communal land, solar energy for remote communities and those with sub-market credit ratings. To do this we need to be working with innovators and the funders of the innovators to co-develop these models.

It will deliver an estimated \$180m of investment over 5 years and includes real projects across the region aligned with Te Ao Maori like:

- Affordable, health, safe and secure housing (kin environments provide a strong platform for wellbeing and good growth)
- Renewable, clean energy (low footprint, energy resilience and reduces fuel poverty)
- Affordable connectivity (digital inclusion the ability to access global markets, extend the learning environment to the home)
- Reforestation of marginal, erosion prone and riparian land in indigenous forestry that is carbon funded (increasing the lung capacity of Papatuanuku, increased biodiversity and water quality)
- Regenerative agriculture (low footprint, high value growth with cultural provenance)
- Aquaculture, sustainable fisheries, building local enterprise and workforce development

Tikanga based frameworks will ensure effort and investment is directed towards those activities with the highest potential for long term, large scale impact.

Aligned with the Sustainable Development Goals and wellbeing framework, it's translatable globally and nationally.

It will deliver Iwi led entities that are self-sufficient and can continue going forward with \$9m of self-funded activity by 2025 and \$22m of self-funded activity by 2030.



JOHN – Impact Investing: Providing Value with Values

What about the role of philanthropic funders and investors in Impact Investment initiatives like TTFG?

I'd suggest two main ways we can help.

The first is practical.

Within an initiative like TTFG, TTF has helped build some capacity and capability - put some 'gas in the tank' - by:

- seed funding the development of the model – paying for external people with expertise to help develop it,
- connecting it to people of influence and advocating for it, and
- being part of the establishment team - but on the understanding that that leadership will transfer to longer-term iwi-led governance in time.

Secondly, there's a more philosophical role for philanthropy to play - an opportunity for philanthropy to add something critical to the future shape of investment in general.

Impact Investing is about investing to produce value - but in a way that maintains values. It's a place where both philanthropy and investment can come together, and be applied differently. Philanthropy can help maintain the values part of investment.

For TTFG, as you've heard from Rangimarie, is values-base is critical. While it's commercial in nature, it has an underlying framework based on tikanga values.

For an experienced investor like TTF, we understand Impact Investing, but applying a tikanga-based framework to it is different. A year or two ago that might have been a bit of a challenge for us. But sometimes opportunity meets preparation...

And we've been doing some preparation. For the last year or so, we've been taking basic Tikanga and Te Reo training. Through that, and our own reading, we've developed some understanding of Te Ao Maori, and – possibly more importantly - we've developed a new and much deeper awareness of the history of our country. More about that in a minute...



RANGIMARIE - Challenges and what we're learning

This is about building a “good” economy (their purpose is to deliver good).

The era of purposeless capitalism and of shareholder supremacy has had its time.

Taitokerau Iwi and their communities are taking leadership because to date:

- impact has not been commensurate with investment
- uniform or generic approaches haven't worked, but have tinkered around the edges without understanding interdependencies or unintended consequences
- impact has been limited, short term or counter-productive rather than transformational and intergenerational
- investment has been into our dependence not development
- growth has been exploitative and extractive rather than inclusive and regenerative
- fostered master servant, competitive relationships versus collaborative high trust ones
- our success has been evaluated based on measures that don't fit and are antithetical to who we are as Maori

As resourced starved first nations, we have struggled to materialise the good that sits in our region. And there is so much inherent value that we can and want to contribute. But....

Fortune has favoured the resourced, with entrenched systems preferencing providers with little track record of success towards improving Maori outcomes. Capacity to get great ideas to investment readiness is constrained for Maori.

We need to be in charge of what success looks like for Maori. Systems modelling will enable us to identify the top investment priorities as well as those investments that will deliver at a systems level. For example if improved education and/or environmental outcomes are what you are after, the modelling helps to pin point the portfolio of actions and enablers for this to occur. So it helps us to identify and manage risk. This level of integration and precision for investment is currently not happening.

The whole system needs to change and all the players across that system need to work together and change the way they engage and measure success to generate the impact and transformation that is needed.

Also the power dynamics between those who write the cheques and those they are trying to reach/impact have been unequal, destructive and mana diminishing.

JOHN – Decolonising Philanthropy

Philanthropic funders and investors in NZ have been challenged a bit recently. We don't often get challenged. We're the good guys, right...?

The challenge has come from Maori that, if funders or investors really want to make a transformational difference to the situation Maori find themselves in – especially in regions like Taitokerau - we can't ignore the impact of colonisation – and the desire of Maori for self-determination. If colonisation is the cause of the problem, then self-determination is the solution.

This has implications for us.

In practice, I think that means:

- that we must be willing to 'decolonise' our own mindset, systems, and behaviours, and understand
- that self-determination isn't simply an outcome of funding or investing, but that self-determination is important across the whole funding or investment process.

And I think it's also about:

1. surrendering to the idea that Maori know what works best for them. It's not a funder/investor-led approach.
2. being trustworthy – not the funder/investor having trust in Maori communities, but those communities having trust in us – in other words, are we as funders/investors trustworthy to work with?
3. being aware that we all bring our respective histories into the room – history is there in every conversation.
4. sharing power – who makes the decisions about money, success, or timeframes?
5. realising that it's possible to do harm if our expectations exceed the chronic lack of capacity within Maori systems.
6. redefining accountability measures – who decides what good looks like?
7. understanding that these are relationships built on reciprocity and exchange between equal partners, and that we all benefit from the relationship.

It seems to me that these things are as much about social justice as much as they are about social change.

JOHN –The Vision for the Future - An Opportunity for Nation-building

What's the legacy left in Maori communities by traditional philanthropy? Some differences are made for sure, but I'm told that often the legacy is reliance on outside funding - sometimes dependency.

Sometimes our agenda, our outcomes, take precedence.

Sometimes projects change as a result of funder's expectations, and the outcomes that the community seeks are compromised.

Funders often prefer to fund short-term projects that



focus on the victims of social deprivation, disadvantage and exclusion rather than long-term systemic, intergenerational change.

And, traditional philanthropy doesn't always leave a legacy of long-term capability and capacity so that communities are left fully in charge of their own futures.

But with TTFG, there's an opportunity for this to be very different. An opportunity for philanthropy to demonstrate that it's possible to have truly respectful relationships with Maori, where:

- Rangatiratanga – the ability for Maori to make their own decisions - is enhanced,
- where Maori are trusted to know what's best for them, and
- where we leave a legacy of resourced and capable communities, better placed to make the type of social change we're all aiming at.

For philanthropy, there's also a real opportunity to learn and work together on developing a new, shared model of philanthropy/investment/generosity/Ta Koha Aroha – whatever we call it - that is relevant to Aotearoa/NZ in 2019 and beyond. A model of our own.

By truly sharing the aspirations and the goal of self-determination with Maori, and by modelling the sort of relationships that are necessary to deliver on that goal, philanthropy can help to ensure equity and social cohesion in our communities – especially for the most marginalised and disadvantaged. By doing that, initiatives like TTFG are, at their heart, also an exercise in nation-building.

Yes, that might sound a bit ambitious, but with all the dislocation that's going on around the world at the moment (and which NZ surely wants to avoid), could there be a better goal for philanthropy to have – or a greater role for philanthropy to play?

RANGIMARIE – The Future Vision for TTFG and For Taitokerau Iwi

TTFG is about putting impact that is meaningful and defined by Te Ao Maori principles at the centre of everything.

TTFG is a platform for enabling Maori self-determination and environmental regeneration now and for the long term by taking a whole of systems Te Ao Maori approach for large scale impact.

TTFG builds and leaves the capacity inside the project communities to support investment readiness and effective execution.

We've had so many come to our table to support and uphold our aspirations and values as Taitokerau Iwi because this shift will take the whole community to get involved to create an ecosystem of goodness.

Many have helped to get us this far. I want to acknowledge the members of that wider team and supporters, too many to name individually here. However, I want to especially acknowledge:

- The Tindall Foundation (also a kinship organisation) has been the catalyst for what mana enhancing relationships look like and genuinely partnering into the tino rangatiratanga of our people. Sir Stephen, Lady Margaret, the Tindall whānau, John Cyril and the team nga mihi.
- Ian Short of The Connective NZ, who has helped us build every component TTFG from the ground up, demystified impact investment and been our most ardent advocate and supportive coach.
- Foundation North – who has recently come to the table to support TTFG

- Our own whānau, hapu, Ahuwhenua trusts and iwi communities who have put up potential projects for the pipeline of goodness that sits inside our ecosystem.

We've still got a way to go, and plan to launch this by June 2020. This *will* happen. What is in question is the scale, the ambition and the pace. To deliver on the potential of these solid foundations, we need:

- government to co-invest in building capacity, address systems gaps, be impact investors and de-risk some of the investments.
- grant funders to support the establishment, capacity building and the 2 yr start up phase.
- Iwi who wish to take up ownership of TTFG to commit investment as equity
- institutional impact investors who wish to make a meaningful impact with their investment that is aligned to first nations so has NZ provenance as its core DNA.

A speaker at the recent Summit of the Global Steering Group on Impact Investment in Buenos Aires said: “this is the first generation who can end extreme poverty and the last generation who can do something to save our planet from extinction”.

We need new coalitions of the willing to address the challenges we face, to respond at a local level and to disrupt entrenched systems.

This not about *fixing bad*, but *doing good*.

I would like to finish with this whakatauki....

Nau te rourou, naku te rourou ka ora ai nga iwi

With what you contribute and what I contribute, our people will prosper.

