

From: [Edirisuriya, Pavanie](#)
To: [Olwyn Smith](#)
Cc: [Thomson, Martin](#); [Ong, Michelle](#)
Subject: Yashili New Zealand Dairy Co., Limited - compliance with condition 5
Date: Monday, 23 December 2013 4:43:46 pm
Attachments: [image001.png](#)
[23122013164456-0001.pdf](#)
Importance: High

Olwyn

I refer to the OIO's letter of 4 December 2013 requesting that Yashili New Zealand Dairy Co., Limited (**Yashili**) provides a report to the OIO in compliance with special condition 5 of the consent granted to Yashili to construct a milk processing plant in Pokeno (Decision number 201220086).

Please see attached report provided by Yashili New Zealand Dairy Co., Limited as to the progress of the Plant in compliance with special condition 5 of the consent granted.

Kind regards

Pav

Pavanie Edirisuriya
Senior Solicitor

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雅士利新西兰乳业有限公司
Yashili New Zealand Dairy Co., Limited

Central Park Corporate Centre	P O Box 74458
666 Great South Rd	Greenlane
Level 2, Building 10	Auckland 1546
Ellerslie	P: 09 969 1631
Auckland 1051	F: 09 579 0858

To: Overseas Investment Office, New Zealand

Dear Sir/Madam,

Since Yashili New Zealand Dairy Co., Limited's previous update to the OIO in compliance with special condition 5 of the consent to construct a milk processing plant (**Plant**) in Pokeno, we have made further progress in accordance with our project plan. Please find a summary of the progress below:

- We were granted resource consent by Waikato District Council on 23rd August 2013, which has allowed Yashili New Zealand Dairy Co., Limited to begin work on the Plant.
- We selected GEA Process Engineering to be the supplier of the main equipment. Our project is being managed by Babbage Consultants and Ebert Construction has been selected to construct the Plant.
- Construction work commenced on site in October and progress has been made since. All the bulk earthwork foundation works required for the Milk Drier Building have been completed.
- Construction of the Plant is progressing, particularly in relation to an indoor workshop for the contractors and the construction and installation of the process equipment.
- Above ground work on the main process building commenced in December with the installation of the first pre-cast columns and panels, along with assembly of structural steel elements for the dry store.
- We are in the final stage of confirming the suppliers for gas, power, telecommunication, etc.

In general, the project is progressing well. We have experienced some delays compared to our original timing projections, due to delays in the resource consent process, which has taken longer



to complete than anticipated because of the evaluation procedures at the Waikato District Council.

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OFFICIAL INFORMATION ACT 1982

From: [Edirisuriya, Pavanie](#)
To: [Olwyn Smith](#)
Cc: [Thomson, Martin](#); [Ong, Michelle](#); [Andrew Morris](#)
Subject: FW: Yashili OIO progress report - June 2014 [DLANZ-CLIENT.FID95920]
Date: Friday, 27 June 2014 11:23:37 am
Attachments: [image001.png](#)
[Yashili Progress Report - June 2014_1472448_1.PDF](#)

Olwyn

I refer to the OIO's letter of 3 June 2014 requesting that Yashili New Zealand Dairy Co., Limited (**Yashili**) provides a report to the OIO in compliance with special condition 5 of the consent granted to Yashili to construct a milk processing plant in Pokeno (Decision number 201220086).

Please see attached report provided by Yashili New Zealand Dairy Co., Limited as to the progress of the Plant in compliance with special condition 5 of the consent granted.

Please let us know if you have any questions.

Kind regards

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P: 09 969 1631
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27 June 2014

To: Overseas Investment Office, New Zealand

Dear Sir/Madam,

Since Yashili New Zealand Dairy Co., Limited's last update (at end of 2013) to the OIO in compliance with special condition 5 of the consent to construct a milk processing plant (**Plant**) in Pokeno, we have made significant progress in accordance with our project plan. As at date of this report, the project is on track to complete as planned. The key achievements and milestones are:

- The main milk processing building is close to being finished. Ebert Construction is working from the floor level to the roof level.
- GEA Process Engineering has lifted certain major equipment into the milk processing building, being an evaporation caldaria and an air heater. The drying chamber is currently being fabricated and is expected to be lifted into the milk processing building in early July.
- To date, we have committed over 80% of our project budget in accordance with our project plan. All major contracts have now been awarded to third party contractors, including contracts to construct the dry blending and canning line, office building, waste treatment plant, and all service contracts (gas boiler, chilled water plant, electrical power supply etc.).
- We will start equipment installation later this month and expect to finish around the end of 2014. Quite a number of silos/tanks are already in place.
- We also have recruited key staff (function managers), including the Production Manager, Service Manager, Quality Manager, Procurement and Logistics Manager. We are preparing the next stage of recruitment for operations staff.
- At this stage, we are investigating the supply of ingredients. For example, we are discussing the supply of raw milk with Fonterra.

From: [Edirisuriya, Pavanie](#)
To: [Olwyn Smith](#)
Cc: [Thomson, Martin](#); [Harford, Sherryn](#)
Subject: Yashili OIO progress report - December 2014 [DLANZ-CLIENT.FID95920]
Date: Thursday, 18 December 2014 9:52:27 am
Attachments: [Yashili OIO compliance report \(December 2014\) 1673314 1.PDF](#)

Olwyn

I refer to the OIO's letter of 4 December 2014 requesting that Yashili New Zealand Dairy Co., Limited (**Yashili**) provides a report to the OIO in compliance with special condition 5 of the consent granted to Yashili to construct a milk processing plant in Pokeno (Decision number 201220086).

Please see attached report provided by Yashili New Zealand Dairy Co., Limited as to the progress of the Plant in compliance with special condition 5 of the consent granted.

Please let us know if you have any questions.

Kind regards

Pav

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Yashili New Zealand Dairy Co., Limited

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Pokeno
New Zealand

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Pokeno
New Zealand 2440
P: 09 600 5800
F: 09 600 5839

18 December 2014

To: Overseas Investment Office, New Zealand

Dear Sir/Madam,

Since Yashili New Zealand Dairy Co., Limited's last update (June 2014) to the OIO in compliance with special condition 5 of the consent to construct a milk processing plant (Plant) in Pokeno, we have now come to the final stage of construction work, with almost all the main equipment being correctly positioned. We are currently focusing on the installation of pipework connections and electrical installations. The key achievements and milestones in last 6 months are:

- The main process building has had its roof closed. The administration building has been completed and employees have now moved into the office.
- We have started commissioning the services, e.g. boiler, water treatment etc.
- We currently have more than 30 staff on board already. We are working on the next phase of recruitment focused on the operational staff.
- Site landscaping work commenced in November.
- Ingredients and raw materials required for commencing operations and for the year 2015 production are being ordered, with the first shipment of ingredient due to arrive in early January 2015.



There has been overall good progress of the project, however, we anticipate there may be some minor delays in completing the Plant, for example delay of canning line due to the construction being behind schedule. We will provide a further update in the next report to the OIO in June 2015.

From: [Harford, Sherryn](#)
To: [Olwyn Smith](#)
Cc: [Edirisuriya, Pavanie](#); [Thomson, Martin](#)
Subject: 201220086: Compliance report [DLANZ-CLIENT.FID95920]
Date: Thursday, 11 June 2015 5:43:48 pm
Attachments: [OIO report June 2015 \(Condition 2 & 5\) 1874679_1.PDF](#)

Hi Olwyn

Further to your letter dated 2 June 2015, please see the attached compliance report from Yashili New Zealand Dairy., Limited in relation to its compliance with condition 5, as well as compliance with condition 2, under Notice of Decision 201220086.

As stated in the report, the Plant has now been completed. As such, please confirm that no further reporting will be required under the consent.

Please let us know if you have any questions.

Please acknowledge receipt of this email.

Kind regards

Sherryn

Sherryn Harford
Solicitor

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1 Yashili Drive
Pokeno
New Zealand

P O Box 236
Pokeno
New Zealand 2440
P: 09 600 5800
F: 09 600 5839

To: Overseas Investment Office, New Zealand

Dear Sir/Madam,

Since Yashili New Zealand Dairy Co., Limited last update (Dec 2014) to the OIO in compliance with special condition 5 of the consent to construct a milk processing plant (Plant) in Pokeno, we have now finished construction and commissioning of the plant. However, we are now focusing on obtaining the relevant government approvals required to allow us export products to China market. The key achievements and milestones in last 6 months are:

- The main processing plant including wet process, drying and 25kg packaging was commissioned in March/April.
- The dry blending and canning line were commissioned in May.
- The plant has been granted RMP by MPI.
- We have received CNCA approval for base powder in early June and we are working on CNCA approval for canned product.
- We currently have more than 50 staff on board already, we are working on the next phase of recruitment mainly the operation staff interviews.
- Site landscaping work has been done.
- The site is now under Yashili management.



Overall the whole project has about one month delay, but for a 2 year project on this scale, it is still very reasonable progress and often seen as on schedule.



Since the project has been completed, we think this would be the last project progress report to OIO required under condition 5 of the consent.

Given the Plant has now been completed, please also find below the information required under condition 2 of the consent:

- The date the Plant was completed: 27th March 2015
- The cost to build the Plant: NZD210million
- The number of jobs created as a result of the Investment:
 - a. Up to 300 staff working on site during the construction period in last 18months.
 - b. Currently there are 55 staff employed by Yashili New Zealand Dairy Co., Ltd. There will be approximately 120-130 staff employed when the Plant is operating in its full capacity.
 - c. Yashili anticipates that further job opportunities would have been created indirectly as a result of this project.
- The structure by which the Investment was made, and who made the Investment: As set out in the application for consent dated 13 December 2012, the Investment was made by Yashili New Zealand Dairy Co., Ltd.

We thank you very much for your support on our investment project.

From: [Olwyn Smith](#)
To: ["Harford, Sherryn"](#)
Subject: RE: 201220086: Compliance report [DLANZ-CLIENT.FID95920]
Date: Tuesday, 23 June 2015 11:34:00 am
Attachments: [image002.png](#)

Hi Sherryn

Thank you for the latest compliance report supplied for Yashili.

The compliance supplied was satisfactory. Today I completed a memo to the Team Manager recommending that as compliance is now complete, no further monitoring be scheduled. The Team Manager has agreed with my recommendation.

No further monitoring will be scheduled.

Regards

Olwyn Smith
Legal Executive
Overseas Investment Office

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<http://www.linz.govt.nz/sites/default/files/images/email-signature-v2.png>



From: Harford, Sherryn [<mailto:sherryn.harford@dlapiper.co.nz>]
Sent: Thursday, 11 June 2015 5:43 p.m.
To: Olwyn Smith
Cc: Edirisuriya, Pavanie; Thomson, Martin
Subject: 201220086: Compliance report [DLANZ-CLIENT.FID95920]

Hi Olwyn

Further to your letter dated 2 June 2015, please see the attached compliance report from Yashili New Zealand Dairy., Limited in relation to its compliance with condition 5, as well as compliance with condition 2, under Notice of Decision 201220086.

As stated in the report, the Plant has now been completed. As such, please confirm that no further reporting will be required under the consent.

Please let us know if you have any questions.

Please acknowledge receipt of this email.

Kind regards

Sherryn

Sherryn Harford
Solicitor

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E sherryn.harford@dlapiper.co.nz



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To: [Olwyn Smith](#)
Cc: [Edirisuriya, Pavanie](#); [Thomson, Martin](#)
Subject: RE: 201220086: Compliance report [DLANZ-CLIENT.FID95920]
Date: Tuesday, 23 June 2015 11:48:38 am
Attachments: [image002.png](#)

Hi Olwyn

Thank you for your email and for confirming that no further monitoring will be scheduled under the consent. We will pass this on to our client.

Kind regards

Sherryn

Sherryn Harford
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From: Olwyn Smith [<mailto:osmith@linz.govt.nz>]
Sent: Tuesday, 23 June 2015 11:34 a.m.
To: Harford, Sherryn
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Hi Sherryn

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The compliance supplied was satisfactory. Today I completed a memo to the Team Manager recommending that as compliance is now complete, no further monitoring be scheduled. The Team Manager has agreed with my recommendation.

No further monitoring will be scheduled.

Regards

Olwyn Smith
Legal Executive
Overseas Investment Office

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Sent: Thursday, 11 June 2015 5:43 p.m.
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Subject: 201220086: Compliance report [DLANZ-CLIENT.FID95920]

Hi Olwyn

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As stated in the report, the Plant has now been completed. As such, please confirm that no further reporting will be required under the consent.

Please let us know if you have any questions.

Please acknowledge receipt of this email.

Kind regards

Sherryn

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From: [Edirisuriya, Pavanie](#)
To: [Andrew Morris](#)
Cc: [Thomson, Martin](#); [Olwyn Smith](#)
Subject: Yashili New Zealand Dairy Co, Limited - Special Condition 5 [DLANZ-CLIENT.FID95920]
Date: Thursday, 27 June 2013 2:58:36 pm
Attachments: [image001.png](#)
[Report in compliance with Condition 5_994854_2.DOC](#)

Andrew

Please see attached report provided by Yashili New Zealand Dairy Co,. Limited as to the progress of the Plant in compliance with special condition 5 of the consent granted.

Please let us know if you have any questions.

Kind regards

Pav

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To: Overseas Investment Office, New Zealand

Dear Sirs,

Since Yashili New Zealand Dairy Co., Limited was granted OIO approval for the construction of the milk processing plant (**Plant**) in Pokeno, we have made some progresses according to our project plan. Please find a summary of the progress below:

- We have made substantial progress in the design of the Plant and have selected the supplier of the main equipment and construction.
- We have consulted with AssureQuality as to how to ensure the Plant will comply with New Zealand regulations/standards. AssureQuality will carry out inspections during the Plant's construction regularly and provide on-going advice during this time.
- We are working with the planners and technical experts on the construction of the Plant and have submitted applications for resource consent to Waikato District Council. The Waikato District Council issued the notification of building height to the public on 25th May.
- We are currently in discussion with various utility service suppliers on the supply of gas, power, etc. to the Plant.
- Works are being undertaken on the land for the purpose of preparing the land for the foundations and construction once the required building consents are granted by Waikato District Council.
- We have engaged consultants on a number of key matters, including the health and safety policy of Yashili New Zealand Dairy Co., Limited.

In general, the project is progressing well, however we have experienced some delays compared to our original timing projections, due to delays in the resource consent process, which has taken longer to complete than anticipated because of the evaluation procedures at the Waikato District Council.