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Media Release

New Port Alliance Targets Growth in Manawatu-Whanganui Region

Ports of Auckland teams up with Napier Port and Icepak to establish inland port and logistics centre in Palmerston North.

Ports of Auckland, Napier Port and Icepak today announced the formation of a joint-venture to develop a new inland port and intermodal freight hub at Longburn, Palmerston North.

Located on the site of the old Longburn freezing works owned by Icepak, the venture will see the nine hectare site transformed into a significant intermodal logistics and manufacturing hub.

Site clearance is underway and work will start soon on a cross dock to complement the existing Icepak cold store on site. A container yard and container wash facility – to prepare containers to export ready standard – will also be built. This is the first stage of a \$20 million development.

The site is connected to the main trunk line and the parties are currently in discussion with KiwiRail to finalise services.

Tony Gibson, CEO of Ports of Auckland said "This places the port gate on the doorstep of the region's importers and exporters, creating opportunity for both and driving cost out of the supply chain. Currently imports come south from Auckland but not much goes back. This new facility will allow exporters to access this spare capacity, lowering freight costs all round."

Garth Cowie, CEO of Napier Port, sees this advanced supply chain development as "a natural extension of Napier Port's central New Zealand coverage, bringing it closer to its customers, shippers and transport partners. The opportunity to triangulate container movement between Ports of Auckland, Icepak at the Longburn Intermodal Freight Hub and Napier Port is a key advantage of the new regional supply chain initiative" he said.

Wayne Grattan, Chairman of Icepak said "Palmerston North is the ideal location for an intermodal freight hub. With well-developed rail and road connections to other centres, good infrastructure and plenty of space to grow and locate supporting industries, we think it's a winner. Development of the hub enables the clean-up and reuse of a brownfield industrial site, with extensive recycling of the old building materials into the new development."

"Manawatu offers significant strategic advantages in terms of distribution thanks to our central location and excellent connections to road, rail and air," says Palmerston North Mayor, Jono Naylor.

"This new inland port has been in development for some time and is strongly aligned with our recently announced Central New Zealand Agribusiness Strategy, a collaboration between all of the Horizons region's councils to double Agribusiness exports from \$1.9 billion to \$3.8 billion per year by 2025. This will help our growth potential throughout central New Zealand, and we expect further investment and development activity as our capability continues to increase."

The development has been welcomed by KiwiRail as it means more freight on rail. "This project gives freight managers more access to rail which is important if we are to ensure the viability of rail in New Zealand, particularly in the regions" said KiwiRail Freight GM Sales, Alan Piper.

For Ports of Auckland this initiative is part of a wider supply chain strategy to build a cost-effective freight distribution network throughout the North and South Islands. More developments will be announced in due course.

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