

COVID-19 Economic Response Plan

SMART Economy Initiative

Performance, as at 28 Feb 2022

Background

The SMART Economy Initiative (SMART) is a key measure under Phase II of the Government's COVID-19 Economic Response Plan. The aim of this \$2 million initiative is to provide a mix of grants and tax credits to support commercially-viable business ventures that will provide new or scaled-up innovative ICT applications and services to businesses and consumers. This will help drive a more productive, complex, and diverse economy that is more dynamic and resilient to changing circumstances and shocks.

SMART commenced in July 2020, and Stage 1 applications closed on 29 January 2021 as the initiative approached full subscription.

Stage 1 applications

A total of 88 stage 1 applications were received, with a total grant value request of \$6.8 million. As of 18 March 2021, all Stage 1 applications have been assessed, with 30 (34 percent) approved to proceed to the Stage 2 process, with a total grant value request of \$2.1 million.

Stage 1 applications show a U-shaped distribution, with an initial peak in the first month of the initiative opening, with 16 per cent of total applications received in the first month, followed by a large spike in the final month, with 39 per cent received.

Stage 2 applications

A total of 31 Stage 2 applications were received, with 28 approved for SMART grant funding, with a total grant value of approximately \$1.95 million. Individual grants range from \$7,000 to the maximum \$100,000, with an average grant of \$74,335. Own contributions (direct & in-kind) range from \$25,000 to \$443,800, with an average own contribution of about \$114,000.

The highest proportion of the approved Stage 2 applicant businesses are in the Information and Communication industry (32 per cent), followed by Arts, Recreation, Other Services (20 per cent) and Professional, Administrative (16 per cent). About 72 per cent are small businesses (<\$300,000 per annum).

Reporting and Monitoring

All grant recipients are required to submit quarterly reports for the duration of the GFA, detailing the progress of their projects, informed by their Stage 2 applications. This process is monitored by the Economic and Planning Division of MFEM. The updates below are sourced from the December 2021 updates and conversations subsequently with the MFEM team.

SMART Economy Grants – Updates

SCO Rarotonga Limited

Proposal Title: Cook Islands Business Hub

Proposed Venture: The Cook Islands Business Hub "The Hub". This is a new concept to develop a professional ecosystem. It's a place for Cook Islands' Businesses, aspiring young professionals, and foreign businesses to collaborate and cultivate the future of Cook Islands' professional services in a growing Cloud Business environment. The Hub will be a physical office space that will accommodate 20 workstations. SMART support will both expedite this plan at time when Cook Islands needs business support the most, and enable us to promote The Hub to a wider audience.

SCO Professional Pathways employees are young Cook Islanders recruited directly out of the graduating Year 13 classes at Tereora College. They are paid full time salaries (above minimum wage) to fulfill outsourcing services. SCO also fully funds a bachelor degree from Massey University NZ (completed part time via distance learning), study resources and study leave. This ensures that young professionals can obtain both Tertiary education and practical experience.

Project Update: SCO Rarotonga acquired office space in town area and have set up 20 work stations which small business owners are able to use throughout the day and provides workspace for the Professional Pathways employees. A board room is also available for both small businesses and students to use.

Thanks to the SMART Grant, SCO Rarotonga has been able to both double the size of the Professional Pathways team, and the amount of income brought into the Cook Islands from foreign businesses. The next step for SCO Rarotonga is to go beyond the outsourcing of accounting services and into other outsourced services that will meet the criteria of providing practical experience for young Cook Islanders in an area that matches a fully funded University degree.

<u>Cook Islands Pacific Pearl Merchants T/A Bergman & Sons, Bergman Gallery</u>

Proposal Title: Cook Islands Black Pearl and Contemporary Art Virtual Initiative

Proposed Venture: The Cook Islands Black Pearl and Contemporary Art Virtual Initiative will deliver a high level, virtual e-market including exhibitions and sales of Cook Islands Black Pearls and Contemporary Art to a worldwide audience via twin websites with e-commerce and real time, interactive capability. The delivery and marketing method will also encompass a complete social media platform centered on Facebook, Instagram and a comprehensive strategy of digital advertising including display ads, video ads, search engine marketing (SEM) and email marketing.

Project Update: Cook Islands Contemporary Art | Bergman Gallery

Cook Islands artist Mahiriki Tangaroa and Bergman Gallery will have a presence at Personal Structures global contemporary art showcase in Venice Biennale, Venice from 23rd April - 27th November 2022. Venice is a history making venture and will elevate Cook Islands Contemporary Art to a new global

platform with an expected audience of 500,000 over the duration of the seven month exhibition. The exhibiting artist is Mahiriki Tangaroa.

To capitalize on this exciting event, the gallery is in the process of re-developing live feed capabilities with the acquisition of new video equipment by the gallery's media partners. Further video projects to be developed including artists interviews, live feed openings, gallery previews and talks. All to be archived for the website's video library. Due to the ongoing border interruptions of Covid-19, the domestic gallery exhibition schedule has been deferred until July 2022.

Cook Islands contemporary art continues to grow a social media presence through Facebook and Instagram, and online sales from the e-commerce shop.

Project Update: Cook Islands Black Pearl

Digital sales will commence in the second half of 2022.

Southern Cook Islands Shipping Company 2020 Limited

Proposal Title: Prototype Autobarge

Proposed Venture: The scope of this project is to build and test a prototype small autonomous and remote controlled barge of 5 tonne cargo capacity capable of traveling between the islands of the Cook Islands. The prototype "Autobarge" will be small enough to enter the harbour and dock at all outer islands. It will also be capable of traveling to a southern group island up to 3 times a week carrying palletised cargo and has the potential to supply fresh agriculture produce back to Rarotonga.

Project Update: Project is still in progress. The prototype Autobarge has been constructed to the point of where further construction is delayed until the diesel engines arrive and can be fitted to the hull.

Flowx Limited

Proposal Title: Porting Flowx to Apple

Proposed Venture: To port Flowx - Android weather app, to Apple thereby doubling the business's market. To port software, is to adapt existing code for use in another operating system. As part of this venture the existing Flowx company will move from New Zealand to the Cook Islands. The business is optimistic that with the success of this proposal, Flowx can contribute to the development of an ICT industry in the Cook Islands and be an example to Cook Islanders (and the world) of what can be done in the Cook Islands.

Project Update: Flowx Limited was incorporated in the Cook Islands in October 2020. Since then, the company has made progress towards achieving its milestones. The development of the central shared code base, which will be used to run both the user interfaces for Android and Apple platforms is near complete. Work is also in progress to develop the user interface code.

• <u>Akau Film</u>

Proposal Title: Akau Aerial Surveying

Proposed Venture: Launch international level aerial surveying services in the Cook Islands using the latest UAV and software technology.

The service provided would be faster and significantly more accurate surveying of large areas of land, with the ability to export the results in a multitude of formats, including accurate 3D modelling to be imported straight into an architects or engineer's design applications.

Project Update:Successful surveys have been conducted for both the public and private sector onRarotongaandthenortherngroup.Akau is looking to continue building a baseline survey of high risk areas for measuring futureenvironmentalchangesanddisasterimpact.Upskilling is also being undertaken with the help of a well-established NZ survey firm.survey firm.survey firm.

ICT Nexus Limited

Proposal Title: ICT and IoT Infrastructure for SMART-Islands

Proposed Venture: ICT Nexus Ltd. will set up horizontal infrastructures for ICT and Industrial IoT in the Cook Islands, introducing a Long-Range, Low Power IoT network, based on LoRaWAN® in Rarotonga and Aitutaki in the first phase, then all remaining islands in the second phase.

LoRaWAN® is a protocol that enables the connection of a specific customer sensor to the Internet, featuring high-speed, secure data transmission, with low energy consumption over long distances. This will provide a scalable IoT network service and platform to enable enterprise-grade solutions and vertical cloud-based applications for businesses, organisations, education and government.

Project Update: Purchased necessary equipment has arrived in country. Office space has been occupied with the CTO and one of directors working from that space. Frames for the installation of gateways are being built and will be ready for installation. Meetings with prospective clients continues with a couple of quotes being prepared for projects and some requesting trials. Data is being collected from the various test sites:

1. Necessary equipment has been purchased and is in country.

2. Five Gateways installed to date – the location of these installations also caters to specific clients who have engaged ICT Nexus Ltd to carry out scoping relating to energy management, water management and collecting data via a weather station.

3. Working with clients regarding IoT-Monitoring, Energy Management and Smart Metering and Water Monitoring.

4. Contracts being prepared for IoT network.

5. Frames (2) for the installation of gateways are ready for installation with any further frames being built as needed.

6. Collecting data for approximately eight months with water devices being installed at two public water stations and on the water mains pipe. Awaiting presentation to government agencies for proof of concept.

7. First revenue on 29 December 2021 was a highlight for the team.

8. Office space has been secured with operations being carried out from there by Directors and CTO.

ManaNet

Proposal Title: ManaNet

Proposed Venture: Internet Service Provider (ISP) in the Cook Islands while prioritizing Rarotonga and Aitutaki. This company will then provide the following services: internet services to individuals/businesses/government/education/health, wifi hotspots, streaming digital TV (Netflix, Amazon, etc.), corporate networking/support, data centre and cloud services, Internet of Things (IOT), IP Telephony/VOIP, and Digital Security.

Project Update: Constructed the ducting from the Cable Landing Station to the data center in Aitutaki. Network design for Aitutaki is completed and discussions with Vodafone are taking place regarding tower

sharing on Maunga Pu. Network design for Rarotonga is also completed with the fiber connected from the Cable Landing Station to the tower in December 2021. An MOU has been signed with Avaroa Cable to utilize their network and anticipate signing a Master Services Agreement in late 2021. Discussions with Te Aponga regarding tower sharing and others are ongoing.

It is anticipated that the Chief Technology Officer will be in country for a visit in March or April to progress work.

Project Five Limited

Proposal Title: Esports Centre

Proposed Venture: Project Five is developing a professional esports centre with the goal of bringing the esports world to life in the Cook Islands. The increase of live esports tournaments and viewership has driven the need for well-equipped venues for gaming fans to congregate.

Project Update: To date there are 44 Annual members signed up and on average 11 Monthly members sign up. The extended closure of the borders, like all businesses on the island, have had a huge impact on the dynamics of running a business that depends on 'volume' of users. It's business as usual, but revenue inflow has been slow. Discussions in place with overseas coaches to confirm contracts for the upcoming year with regard to school league. The biggest task is now identifying a school on the island willing to allow us to trial a training and compete league to highlight the benefits of esports to diversifying career paths.

<u>Accounting Made Easy</u>

Proposal Title: You Can Do It!

Proposed Venture: Website/Application that can be used to facilitate and empower micro, small to medium sized businesses to access online tax templates that can assist with filing their own monthly tax calculations and obligations

Project Update: Online Facebook Marketing:

This avenue of marketing has helped to get people familiar with the business and the services that are on offer. This portal continues to reach more people who are interested in accounting for their business. The You Can Do It! Cook Islands Page has over 950 followers.

Increase in Registrants:

Enquiries and registrations continue to grow. The business has received several enquiries via the <u>enquiries@youcandoit.co.ck</u> email address. In total, 80 businesses are now registered with Accounting Made Easy - 41 Sole Traders, 8 Partnerships and 31 Companies.

Cashbook Users:

The progress and ease in which these new businesses have embraced the cashbook has been positive. In total there are 45 active businesses using the online cashbook system. 23 Sole Traders, 3 Partnerships and 19 Companies. The goal for the next six months is to turn the registrants into paid customers as well as continuing to support new customer registrations.

By June 2022, the business anticipates to have 100 Registrations and 60 active cashbook users.

• Nesia Limited (88fm)

Proposal Title: ICT Radio/Video/TV/Podcast/App Online Solution

Proposed Venture: New Television Channel/Network, delivered via 2 methods. 1. MoanaTV (Vodafone) 2. Brand New Application. Primary content will be real-time music, music videos, and the ability to produce Podcast material daily. Local Entertainment, Social Media, Current Affairs, Magazine style content will also be produced.

Project Update: The new name branding of this venture is tumuTeVarovaro (Pronounced TumuTeVarovaro Tee Vee) simulcast on 88fm, the general community is still coming to terms with this new concept. This will take some time.

Things have progressed nicely, the business has managed to get a strong solid signal (24/7) going with Vodafone's MoanaTV platform (Channel 5). There is 24/7 streaming of the TV channel available on the Twitch platform, which allows anyone in the world access as long as there is a good internet connection. (www.twich.tv/tumuTeVarovaro)

Cabling restrictions have presented some challenges and issues, but have managed to explore a work around by getting local suppliers to customize some cabling for us. The TV Studio has been setup with equipment that was available here in Rarotonga, however the main delay was awaiting the technical equipment to arrive. Camera's Video Mixers etc.

The Bulk of the equipment arrived in January 2021 and the official launch of the Live TV/Radio channel in March 2021 took place with live presenters. Despite making mistakes in the beginning stages, processes are constantly being refined and presentation skills improved. An upgraded to the main studio PC and graphics cards was carried out, mainly due to running out of space for content storage and to maintain high output standards - 1080 HD.

Live Tv/Radio presenters work from 6am to 6pm Monday to Friday, also on the Saturday morning show. Thursday nights presents 2x Live TV shows with Ukarau (The Show with your Bro Ukarau) and presenters Talz and Vernon (Marked). The production team is still looking for talent and working on increasing the evening programming.

Over the past 6 months a 1 hour TV show called Nesian Fusion has been produced, with 30 episodes broadcasted on the Sky Pacific network. (17 Island Nations). The business decided to move to PasifikaTV, despite having a smaller coverage footprint (11 Island Nations) is Free-To-Air which is preferable. The business has produced 10 episodes but is constantly on the lookout for more TV show concepts.

• Dive Rarotonga 2018 Limited

Proposal Title: Dive Rarotonga Online

Proposed Venture: Online store to expand the sale of diving related products and customised merchandise to a worldwide market. The business already operates a successful website, but would like to develop a separate online store to incorporate more widespread retail into the business plan.

The products to be introduced on the Online store will include the full range of diving and snorkeling equipment from reputable Scuba manufacturers, along with videos outlining servicing techniques, product reviews and product comparisons, as well as online teaching support for customers. As well as Scuba Diving equipment, the business will offer a range of equipment for freediving and underwater photography.

Project Update: Stock is now on hand from all suppliers. US, Australia, New Zealand, Turkey, Pakistan and Dubai. The business has avoided Chinese supply for bespoke diving equipment other than Titanium diving cutting tools and bespoke Dive Torches to my own specification. Pricing elsewhere was prohibitive.

Generic Scuba equipment is sourced from existing suppliers, with whom Dive Rarotonga have worked alongside for some time and Dive Rarotonga is the Cook Islands distributors and service centre for Scubapro, Mares and Suunto, all global high end manufacturers. Another AUD \$15000 has just been spent with Scubapro to cover local orders and NZ \$2000 was spent in August on stock from Mares in New Zealand which arrived earlier this year.

The website <u>www.diverarotonga.com</u> is live and qualified divers can now make dive booking requests via their secure booking page.

• Czechmate Limited

Proposal Title: Diagnostic and Certification of Copper and Fiber optic networks

Proposed Venture: Diagnostic and certification services for current and new copper and fiber optic installations and networks, also provide advanced analysis and auditing services for old installation and newly build data cabling plants.

Project Update: The business is now providing the certification services on full scale, utilizing the devices and knowledge gained thanks to SMART grant in the day-to-day work.

In addition to the proposed venture, the business is also providing regular IT and Communication trainings and certification courses in cooperation with Comms Learning New Zealand.

The company will deliver regular courses to local contractors, government sector and private businesses. The business is fully utilizing equipment purchased through SMART grant during these courses. Main objective of those courses is to improve knowledge and installation practices of local IT and Communication technicians.

Noticeable achievements in last 3 months:

- The business has become certified installers of 3M and Propatch cabling products and are now able to provide 25-year vendor warranty for qualified installation that has been installed, supervised and tested by us or other trained technicians.

- Additional test device for testing of existing copper cable installations have been purchased. This device quickly verifies if the current installation can run desired service and determine if it will operate on requested speed.

The company is now trying to encourage local hardware stores to get more data cabling products on shelfs by providing free consultation services and recommendations of what to place on shelfs. This allows local contractors to have more options when planning communications installation and material purchase for desired projects.

Araura TV & Radio

Proposal Title: Aitutaki Digital TV Network

Proposed Venture: Araura TV & Radio role is basically to educate and inform. Araura TV & Radio are proposing to digitise the Television network.

The product will be delivered to the audience via 4 channels

- 1. News Public notices, Health Education Environment and other campaigns International news
- 2. Spiritual well-being a channel for religious sermons and strengthening Christian morals
- 3. Sports and Entertainment local and International events

4. Tourism and Commerce - 24hr looped programming identifying where to dine, tours etc interspersed with stories of interest about Aitutaki, legends, how to make ika mata etc...

Project Update: More than 500 homes and businesses in Aitutaki are receiving the new "free to air" digital TV service, despite an official launch of the new TV service. Initially 4 channels had been broadcasted, the company will look to adding an additional 2 channels in 2022 bringing the total to 6 channels. Araura TV is currently broadcast 24 hours a day - Pasifika TV, CNN, HOPE, a movie channel, a documentary channel and rebroadcast a mix of the CITV service and ABC Australia.

The second antenna and transmitter has been tested and installation of the transmitter at the Vodafone Maunga Pu site being carried out by the Vodafone technicians. This second location will provide a robust TV signal island wide and out to the motu also.

COVID response - Araura TV service is available to the Aitutaki schools for home learning should Aitutaki schools have to be closed, utilising 4 of the 6 channels which provides at least 6 hours of schooling via the TV network.

<u>Trustees & Fiduciaries (Cook Islands) Limited</u>

Proposal Title: Digital Marketing and Delivery of New Trust Product

Proposed Venture: Maximizing use of online digital marketing platforms and technology to launch and market a new trust product, making the best use of latest digital marketing technology (both hardware and software) and the new fiber optic service now available in the Cook Islands.

Project Update: On the 1st December 2021 the Cook Islands became the first country to enact a set of laws that addresses a serious weakness in estate planning for HNW families. The IRPA creates a statutory foundation whereby couples can choose to keep designated trust assets intact, in defined shares and under common management, in the event of their separation or divorce. The RPA also restricts the recognition of judgments of foreign courts from interfering with this principle. Family businesses are also particularly susceptible to the separation or divorce of the shareholders.

The new website page promoting the product has also been launched: <u>https://trusteescookislands.com/cook-islands-international-relationship-property-trust/</u>

Video's promoting and educating on the product have been released and used by T&F, FSDA and CSB Bank in the Cook Islands and soon by other promoters in Singapore and USA.

Current projects:

- Drafting of IRPT Trust document.
- Training webinar for American law firms in production
- <u>Mana Living Concepts</u>

Proposal Title: Manini E-Commerce Development

Proposed Venture: Online retail store and implementation and training of the associated supply chain and operational aspects of digitizing shop front for local clothing brand Manini Wear. Developing a SMART shop gateway to expand sales to Pa Enua and international markets.

Project Update: 1. Develop Digital Storefront Website – build is 100% complete & live in June 2021

- 2. Develop Point of Sale & integrate website & cloud accounting 100%
- 3. Create Digital Product Content & Load to website 100%;
- 4. Digital Marketing Campaign 90%, considering bringing in house

5. Transition from Indo to NZ warehouse - 100%

Sky Lounge Limited

Proposal Title: Cybersecurity Cook Islands - Breaking Barriers

Proposed Venture: Sky Lounge, the country's first cybersecurity entity, has a commitment and vision to propel Cook Islands to a new level of technological excellence. Rewarding employment and training is on offer to local Cook Islanders and accelerated by initially generating business in the US market. This essential SMART Initiatives grant funding is the first step toward helping to buoy the nation onto a level playing field in the digital world.

Project Update:

1. Determining how best to accommodate local candidates to gain cybersecurity credentials. Found a useful credential that may be suitable.

2. Modify terms for risk assessment and management for businesses in Cook Islands to provide more relevant services for local customers.

3. Continue to promote and generate business in US.

<u>KM Projects Limited</u>

Proposal Title: Online Project Scheduling & Support Office

Proposed Venture: To set up an online Project Scheduling & Support Office. This is a service that any business or individual in the Cook Islands can utilize for any type of project – however initial focus will be construction projects. As a start, using Microsoft Project software to co-ordinate staff, machinery, subcontractors etc. which is especially helpful when managing multiple projects at multiple sites.

Project Update: The recipient has advised of their decision to terminate the GFA due to resourcing issues. EPD will facilitate repayment of grant funding.

• Futureproof Enterprises Limited

Proposal Title: NextShipment / Cook Islands Megamall international website and sales expansion

Proposed Venture: Expanding the NextShipment business operation to other Pacific Islands. Initially Fiji, Samoa, Tonga and American Samoa. To do this, a new website for each country will be created with the capability to handle multi-currency payments, multi country shipping costs, multi country customs clearance, tax and delivery options.

Project Update: The business is ready to launch the Samoan operation with staff in place on New Zealand and Samoa. Unfortunately, the launch has been very frustrating and continually delayed due to the various NZ and now Samoan lockdowns. With pricing increases happening weekly the business has needed to do sweeps and scrapes of the pricing data from supplier websites. The website is ready to launch in Samoa, and the business is now focusing on the Fiji website which is near completion. Developers are working on adding more features to it, then adding those same features to the Cook Islands & Samoa websites once tested. Marketing on Facebook has begun and advertising templates have been set up.

Sabati CI Limited

Proposal Title: Indigital Art

Proposed Venture: The IndigitalArt website and App would be the first of its kind with numerous avenues of visual art services – nurturing indigenous artists and their creative works. This approach can advance cultural practices, sustain artist's careers and financially benefit the creative industry locally and

internationally. A digital platform for Cook Islands Indigenous Artists to reach a broader market and gain exposure within the international art scene. Help nurture emerging & established artists to develop and sustain their careers.

Project Update: Website construction is at a stop, waiting on payment portal.

Payment portal – Online registration of company with New Zealand Companies registry. This is to enable the payment portal for the website to be connected to the service provider – Stripe payment gateway to manage the payment system. Stripe does not recognise Cook Islands registered companies.

Stripe's payment platform accepts all major credit cards, debit cards, mobile wallets, Apple pay. All with single integration. Access to advanced feature like 3D secure 2 authentication. The stripe payment platform was a later addition to the original plan which is a better choice and recommended by the Programmer.

A new launch date will be determined by the registration with NZ company's registry once confirmation has been received, a new date will be set.

I have also investigated the inclusion of an art supplies service through the website. As Cook Islands and many other nations share similar struggles to find art supplies/ materials – canvas, tools, quality paint etc...

• ExplorePay

Proposal Title: ExplorePay

Proposed Venture: ExplorePay is a mobile payment solution that allows people to pay and get paid, hassle-free, instantly and securely from anywhere. Even New Zealand. ExplorePay is the payment solution that powers the Explore Super App. Explore will be the first fintech (financial technology) company to launch in the Cook Islands and Pacific Islands that is 100% locally built and operated.

ExplorePay offers an alternative that solves many of the limitations in the current banking systems by providing a service that delivers a simple, easy to use, highly functional, peer to peer, contactless, secure and instant mobile payment platform.

A Super App is a single app that provides multiple products and services instead of having single apps for each one.

Project Update:

ExplorePay are in the final stages of launching the ExplorePay and the Explore Super App. The goal is to continue adding new products and features to the Explore Super App which are all powered by ExplorePay.

Also being developed is the in-house "Explore Administration Platform". This portal will provide us the ability to manage and monitor the entire flow of transactional data and client information across the entire business in real time.

Development of the website and the various required landing pages are also in progress. The developers are currently designing some elegant but functional landing pages which ultimately will provide for a great user experience.

Overall progress and the positive test results to date provide the team with real confidence with the app's ability to safely and securely transact and operate across the local telecommunications network without any issues.

An important part of building the business model is collaborating with relevant business partners. Engaging with various business entities across the spectrum including some from the finance, telecommunications, legislative, tourism, hospitality, retail and transport sectors, providing product demonstrations and potential use case functionality to create partnerships and solutions, will assist in delivering the ultimate Explore Super App product to market.

Any business owners that are interested in discussing the features of ExplorePay and the Explore Super App product in greater detail are encouraged to contact us directly to arrange an appointment at <u>brett@explore.com</u> or <u>jimmi@explore.com</u>.

XIIK Studios

Proposal Title: XIIK Creative Academy

Proposed Venture: Xiik Studios is a Rarotonga, Cook Islands based creative technology audio/visual communication firm and education provider that utilize creative/digital technology to provide a range of products and services. Xiik concentrates on a variety of creative tech functions with a core focus on 3d animation/graphics education and training courses. The targeted students are high school graduates for Xiik's education services and targeted customers are established small- to medium-size companies for Xiik's 3d services and other audio/visual communication services.

Project Update: The business continues to evolve

With COVID restrictions affecting educational institutions it has become unsustainable and unreliable to run any courses at these places. The software used to run the courses has also had a major upgrade. In light of this the Academy is re-recording its online content and is not looking to partner with any educational institutes on the island. Online content will be delivered to the pa enua specifically and offered for free. Not only does this make learning accessible but it also gives students a solid understanding of the concepts and principles of computer learning and 3d before they consider jumping into any paid course that is offered. Any face to face courses will be run from the Cook Islands business hub here in Rarotonga with the possibility of zoom classes for the outer islands. Online courses are expected to re- launch in May-June.

Xiik Studios has also completed the Cook Islands first animated short film. There has been major interest from film festivals around the world. Vetting of these festivals is being undertaken to determine which is more beneficial for business and the Cook Islands, and which also adheres to the business's social impact policy.

A major achievement for Xiik Studios is being the first Cook Islanders that live in the Cook Islands to have artwork in the NFT space. NFT's are a digital asset that people can own by purchasing artwork with crypto-currency. Although this is a relatively new concept here on Rarotonga Xiik Studios has been in this space for a few years and very comfortable there. It has become necessary to be in this space as it is easy for culture to be misrepresented in the digital realm. Xiik studios is curating this space to minimize that.

An American company has approached us to help develop and launch a gaming platform. A decision on this is still pending with the monetary aspect playing a major role in the outcome as well as the benefits derived for the country as well as the type of social impact it will have. In this day and age, children live in the digital world, so it is important to master it so as to ensure that they navigate that space safely.

There is no company or individual in the Cook Islands that does this and Xiik Studios will continue to learn, innovate and lead.

There is no need for a purpose-built facility which was in the original plan, businesses like the Cook Islands business hub is adequate for the delivery of the business short- and long-term goals. The academy will use the budget allocated to invest into those students that excel in 3d or for any projects that they want to do or pursue outside of the course. This is extremely necessary as there is no bridge for students to continue from last year of learning at college through to employment.

The home office in Tupapa is completely upgraded and the online courses have been beta tested by former academy students. After some feedback from them changes are being made to ensure quality is maintained.

• Turama Photography

Proposal Title: Digital Content, Marketing solutions website and e-store

Proposed Venture: Innovative digital content, marketing and social media solutions for both local and international companies. This proposal aims to maximize the benefits of the Manatua Cable service by creating a new website e-store platform where clients can purchase high quality digital content and marketing strategies via live or prerecorded workshops. Specifically focusing on businesses around the world who are now pivoting their services, products and sales to a rapidly growing global on-line market to combat the impacts of COVID on the global economy.

Project Update: Significant progress has been made with this SMART grant venture. Branding of the venture is near complete with new logos, website and social media accounts. It is expected that the business will be fully operational by the end of the next quarterly report. New equipment that the business requires has been purchased, while four new bookings have been made for the new live feed products. A new major client from NZ has been secured for the digital marketing services which will provide us with a great opportunity and consistent work for at least the next 12-24 months that has no dependence on tourism or travel bubbles.

<u>Cook's Island Bus Passenger Transport Limited</u>

Proposal Title: Smart Ticketing

Proposed Venture: Cook Islands Bus Passenger Transport Ltd aims to be able to provide a better service to customers by taking advantage of newer technology, which will put us on same level that you could expect from public transportation in larger countries. Upgrading the Electronic Ticketing System will allow for the use of RFID/NFC Cards (like the AT Hop and Snapper Cards in NZ), Online Payments and PayWave. This enables the provision of live scheduling, tracking and bus capacity alerts making catching a bus that much easier.

Project Update: The Trial System from LENZ China was received in late October 2021. The System was trialed in office for 4 weeks and unfortunately did not meet the requirements expected as per the original submission. The LENZ System could only accommodate for SMART Card Boarding and could not provide Tracking Services or Cash Ticket Services.

Further searches for a supplier that could provide us with an Electronic Ticketing System that covers the requirements and have since successfully found a supplier out of Australia, TransportMe.

TransportMe has supplied Electronic Ticketing Systems to various Bus/Coach/School Bus providers in both Australia and New Zealand. The TransportMe system is designed to operate on iPads with additional equipment for the use of Smart Cards, Printed Tickets and E Payments. TransportMe has provided us with a Solution that covers all areas of the initial submission. The company began trialing the TransportMe System from December 2021, and is finding it satisfactory in terms of technology and service. Smart Card boarding and tracking/scheduling to be launched in April 2022.

<u>Taui Limited</u>

Proposal Title: Sense IT

Proposed Venture: Taui's aim is to drive the adoption of IOT sensors in the business and residential community to enable better life and business decisions based on accurate and relevant data generated from the physical environment.

Project Update: Taui has developed their Website, Facebook & Instagram Page, Logo and Slogan and has received the license to customize the SenseIT Dashboard with Taui Logo and name.

An order was placed for more devices which arrived at the end of December 2021. The business has purchased the license for the Taui domain (taui.co.ck).

Gateway was installed in Aitutaki and Atiu to allow devices to send its valuable data to SenseIT dashboard. The SenseIT dashboard is where all data is collected and saved for individuals or companies to review and analyze. Taui also installed their first device on Rarotonga and Aitutaki. Taui have received alot of feedback and comments to expand to the other outer Islands, in particular the Northern group. Taui is planning to meet with the Mayor's and Island Council's for each island to gather more information of their needs that can be solved with Taui and SenseIT services. More gateways are being put in place to allow Taui and SenseIT to expand and install devices in Mangaia, Manihiki, Penrhyn, & Pukapuka.

• Charlotte Piho Limited

Proposal Title: Charlotte Piho.com website expansion

Proposed Venture: To expand and improve the Charlottepiho.com website resulting in increased business annual turnover. The aim was to allow for direct tour bookings rather than going through third parties like Tripadvisor that take around 25% commission. The project includes implementing a mix of social media marketing through paid advertisements and posts, along with regular blog posts which people subscribe to, fueled by critical key words to build authority and improve the SEO ranks.

Expansion would be twofold:

- 1) Integrating a web-booking engine.
- 2) Addition of new products to my online shop.

Project Update: Employing someone with hands on experience assisting with my business overseas. Underwent a SEO Consultation/Audit to assess if Rezdy was the best program for the website expansion. Assets to produce the ebooks and presets had to be acquired overseas which was not a fast process due to the postage/freight situation.

The labour shortage in the Cook Islands made hiring someone local part-time to assist in managing online bookings/sales and social media with the required skill-set challenging. Employed the services of a web designer with e-Commerce experience to begin the design and implementation into my website of a booking system/EBooks and Presets.

Angle Photo and Video Cook Islands

Proposal Title: Cook Islands Digital Media Content

Proposed Venture: To create an e-Commerce Website to sell Cook Islands Stock Footage online in the format of still and video imagery for content creators to purchase and download anywhere in the globe.

Project Update: The deliverables for this project were changed, with approval from the Grantee.

The new focus is on still images (not video) as stock. The company was able to secure a local Cook Islands web-developer that meets technical requirements, as well as deliver the project within budget. The local developer was unable to begin immediately, but will begin work on the project in early 2022.

Maritime Cook Islands Limited

Proposal Title: Online Registry System for Maritime Cook Islands

Proposed Venture: MCI will develop a new, cloud based, on-line registry system. The system will hold data about all vessels registered on the Cook Islands Ship Registry and will process this data in order to issue certificates to clients in respect of their vessels and employed seafarers once compliance has been validated.

Project Update: The old MARCI system was closed down on 14 August 2021. Enhancement of the UpVise system is ongoing – a number of new initiatives are in the pipeline.

Already the benefits of the system are being realised by users. Six systems are now integrated into a single system. The controls which are built into the system are giving the Fleet Managers much more control over the activities of the Agents and surveyors.

The fact that invoicing is one of the gates that have to be passed through before a certificate can be issued has simplified and improved the charging for services rendered. Electronic certificates have meant that Agents are not required to issue certificates on behalf of Maritime CI saving a projected \$200,000 per annum. Electronic certificates removes the need to spend money on couriers saving another projected \$50,000 per annum.

In spite of the system cutting agents out of a number of revenue streams for them – they have embraced the system as it is much more simple and intuitive than the old system and much faster – it also works very well on mobile devices. Surveyors in particular have taken to the system as it saves them time in completing their reports. The survey reports are now much more standardised making them easier for MCI staff to check and sign off on.

Ora Fiduciary (Cook Islands) Limited T/A Ora Partners

Proposal Title: Building a Blockchain Future – Smart Trust Pilot Project

Proposed Venture: The vision is to create a digital platform that transcends the limitations that currently exist in the ownership, management and administration of both digital and physical assets. An entire ecosystem that allows asset ownership and business transactions to occur in a safe and trusted environment, built on the blockchain. The Smart Trust pilot project will, as its first objective, demonstrate this capability through the ownership, management and protection of crypto assets.

Project Update: Working closely with the Financial Services Development Authority, consultations were conducted on Rarotonga with both public and private sectors culminating in two presentations made in June 2021 to members of Cabinet and another to financial services sector including trustee companies and banks. Presentations were well received by both Government and private sector interests.

On the development side, conceptual discussions are continuing with various partners with expertise in blockchain technology, asset protection and trustee services, identifying digital, legal and fiscal challenges. A management team (strategic/legal/technical/operations) has been initiated, with team members spread across a wide geographical area including New Zealand, USA and Europe. A blockchain specific development team has been established in Europe.

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