

<b>ORDINARY MEETING</b>	<b>5</b>
<b>21 DECEMBER 2023</b>	

## **NRL BID 25 LIMITED – COLLABORATION**

58/6/3 | #7309471

### **RECOMMENDATION:**

That Council:

1. **Works collaboratively with NRL Bid 25 Limited and other relevant stakeholders on feasibility and other analysis required to support an NRL licence application by NRL Bid 25 Limited including consideration of options in respect of potential Cairns based operations for a proposed PNG NRL team; and**
2. **Delegates authority to the Mayor and Chief Executive Officer in accordance with the *Local Government Act 2009* to progress the collaboration referred to above including entering into a Memorandum of Understanding if/as required.**

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### **INTERESTED PARTIES:**

NRL Bid 25 Limited (1-36769), a PNG domiciled company the directors of which are understood to be:

- Mr Wapu Sonk (Chair) - Managing Director Kumul Petroleum Holdings
- Mr Stanley Hondina - CEO Papua New Guinea Rugby Football League (PNGRFL)
- Mr Albert Veratau - CEO Papua New Guinea Sports Foundation (PNGSF)
- Mr Ian Tarutia - CEO Nasfund, President PNG Chamber of Commerce
- Mr Stan Joyce - Chair PNG Hunters/businessman
- Mr Andrew Hill, CEO NRL Bid 25 Limited.

*Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.*

### **EXECUTIVE SUMMARY:**

The potential for a Papua New Guinea (PNG) team to join the NRL has been the subject of public discussion for some time. NRL Bid 25 Limited (NRL Bid 25) is a PNG domiciled company that has been established with the purpose of progressing an application for an NRL licence for a PNG team. Preparation of an NRL licence application is expected to necessitate feasibility and other analysis being undertaken including in respect of any Cairns based operations proposed as part of the team's operations. Council Officers recommend that Council work collaboratively with NRL Bid 25 and other stakeholders (including the Federal Governments of both PNG and Australia if/as required) to support this feasibility and other analysis being undertaken.

## **BACKGROUND:**

The National Rugby League (NRL) is a professional rugby league competition in Australasia currently comprised of 17 teams from New South Wales, Queensland, Victoria, the Australian Capital Territory and New Zealand.

The Australian Rugby League Commission (ARLC) is the governing body for rugby league in Australia and, amongst other things, organises and controls the NRL competition. It is understood the ARLC is considering expanding the NRL competition to include further teams.

It is understood that entry into the NRL competition is subject to ARLC approval and requires a formal application ('bid') for an NRL licence being made to the ARLC by a Bid Proponent. Preparation of such a bid also requires feasibility and other analysis being undertaken in relation to a team's proposed operations.

The potential for a PNG based team to join the NRL has been the subject of public discussion for some time and the Prime Ministers of both PNG and Australia have expressed their support for the concept through official media statements.

Cairns has a strong well-established relationship with PNG. Direct air connectivity, a large exp-pat PNG population and strong cultural and business ties mean Cairns (Australia's closest city to PNG) is uniquely placed to play a supporting role in the establishment and operation of a PNG NRL team. This may include potentially hosting certain elements of the proposed team's operations in Cairns over the short to medium term. Such an arrangement could provide significant mutual benefits to the communities of both PNG and Cairns.

NRL Bid 25 Limited (NRL Bid 25) is a PNG domiciled company that has been established with the purpose of progressing an application for an NRL licence for a PNG based team. Preparation of an NRL licence application is expected to necessitate feasibility and other analysis being undertaken including in respect of any Cairns based operations proposed as part of the team's operations. Representatives of NRL Bid 25 have met with Councillors and Council Officers regarding the potential for collaboration during the feasibility and bid development phases of the licence application process.

## **COMMENT:**

The proposed collaboration is expected to include (but not be limited to) the following:

- Working collaboratively with any consultants and/or contractors appointed by NRL Bid 25 to assist with the preparation of an NRL licence application and associated feasibility and other analysis;
- Working collaboratively with NRL Bid 25 to explore, develop, and advance PNG NRL Bid opportunities and initiatives relevant to Cairns;
- In conjunction with NRL Bid 25, engaging with and reporting to (if/as appropriate) State and Federal Governments (including in PNG) and various government departments and agencies on potential projects and initiatives of mutual interest;

- Provision and sharing of relevant information (subject to confidentiality requirements);
- Facilitating introductions and meetings with key stakeholders;
- Attendance at relevant meetings with key stakeholders; and
- Facilitation of effective dialogue to gain information, knowledge and insight to inform advice and recommendations for decision making purposes.

The collaboration will enable the potential involvement/support (if any) required from Council and Cairns more broadly for the proposed PNG NRL team to be further explored with representatives of NRL Bid 25, their appointed consultants and other relevant stakeholders. The proposed collaboration referred to in this report will not constitute a joint venture, partnership or formal business arrangement of any kind between Council and NRL Bid 25 or any other party and does not place legally binding obligations on either party. However, if Council approves the recommendation contained in this report, the parties (Council and NRL Bid 25) may enter into a Memorandum of Understanding to document the collaboration referred to herein.

The collaboration referred to in this report may result in more formal arrangements between the parties being considered at a future stage. Any such arrangements would be the subject of separate future reports to Council.

### **OPTIONS:**

#### **Option 1 (Recommended):**

That Council:

1. Works collaboratively with NRL Bid 25 Limited and other relevant stakeholders on feasibility and other analysis required to support an NRL licence application by NRL Bid 25 Limited including consideration of options in respect of potential Cairns based operations for a proposed PNG NRL team; and
2. Delegates authority to the Mayor and Chief Executive Officer in accordance with the *Local Government Act 2009* to progress the collaboration referred to above including entering into a Memorandum of Understanding if/as required.

#### **Option 2:**

That Council **does not** work collaboratively with NRL Bid 25 Limited and other relevant stakeholders at this time and/or seeks further information before reconsidering this matter.

## **CONSIDERATIONS:**

### **Risk Management:**

**Table 1 – Summary of potential risks**

<b>Risk</b>	<b>Likelihood</b>	<b>Comment</b>
Council's Reputation	Low	The proposed PNG NRL Team and NRL Bid 25 'bid' has high level support from the Prime Ministers of both PNG and Australia. NRL Bid 25 directors are experienced executives (business and rugby league). NRL Bid 25's CEO (Andrew Hill) who is leading bid development has significant experience as a senior sports administrator including as an NRL team CEO.
Financial risks – investigation phase	Low	Resources for collaboration in this initial phase are expected to be primarily Council Officer time. No legally binding arrangements (including for funding or other support) would be entered into without the approval of Council including consideration of related risks.

### **Council Finance and the Local Economy:**

Hosting certain operations of the proposed PNG NRL team in Cairns could deliver significant direct and indirect economic benefits to Cairns and the surrounding region. These potential benefits would be further explored through the collaboration proposed in this report.

The collaboration proposed in this report is expected to be through Council Officer time and some associated expenses. These costs are able to be accommodated within existing 2023/24 OPEX budget allocations in the Economic Development and Advocacy directorate.

### **Corporate and Operational Plans:**

The proposed collaboration outlined in this report aligns with the following strategic focus areas in Council's Corporate Plan 2021-2026:

- Focus 1: Robust Economy
- Focus 4: Community and Culture

The proposed collaboration also aligns strongly with a number of Council's other strategies and projects/initiatives including: Council's Economic Development Strategy 2022-2026 where international relations and trade is a key economic initiative; the State Government led Olympic Legacy facility upgrades planned for Barlow Park which Council is working collaboratively with the Queensland Government on; and Council's endorsed Major Events Precinct – Vision and Development Opportunities Report where sporting asset and high performance hub development are identified as key opportunities.

**CONSULTATION:**

NRL Bid 25 Limited



Nick Masasso  
Director - Economic Development and Advocacy