



## The Fisheries Amendment Bill – Process Update

### Context

In June 2021, Cabinet agreed to progress a package of legislative changes to the Fisheries Act 1996 and associated regulations, through the **Fisheries Amendment Bill**. This follows public consultation in 2016 (Future of our Fisheries) and 2019 (Your fisheries – your say), and development of the Bill in 2021.

**The Fisheries Amendment Bill** was introduced to Parliament on 13 April 2022.

The changes proposed under the Bill include:

- **Landings and Discards**- amending the rules for commercial fishers that set out what Quota Management (QMS) species must be brought back to port and what can be returned to the sea (i.e., exemptions currently under Schedule 6 and sub-minimum legal size returns).
- **Offences and Penalties**- changes to the corresponding offences and penalties to create a more graduated and effective regime for illegal discarding.
- **Pre-set decision rules**- changes to the decision-making process to enable decisions on catch limits and/or other sustainability measures to be more responsive to changes in the abundance of a fish stock.
- **Technical amendments**- technical changes to support the use of new technology, including improving the effectiveness of on-board cameras and clarifying cost recovery arrangements.

The Bill is being considered by the Primary Production Select Committee. Public submissions on the Bill closed 17 June 2022. Public hearings were held on 30 June, 4 and 7 July 2022.

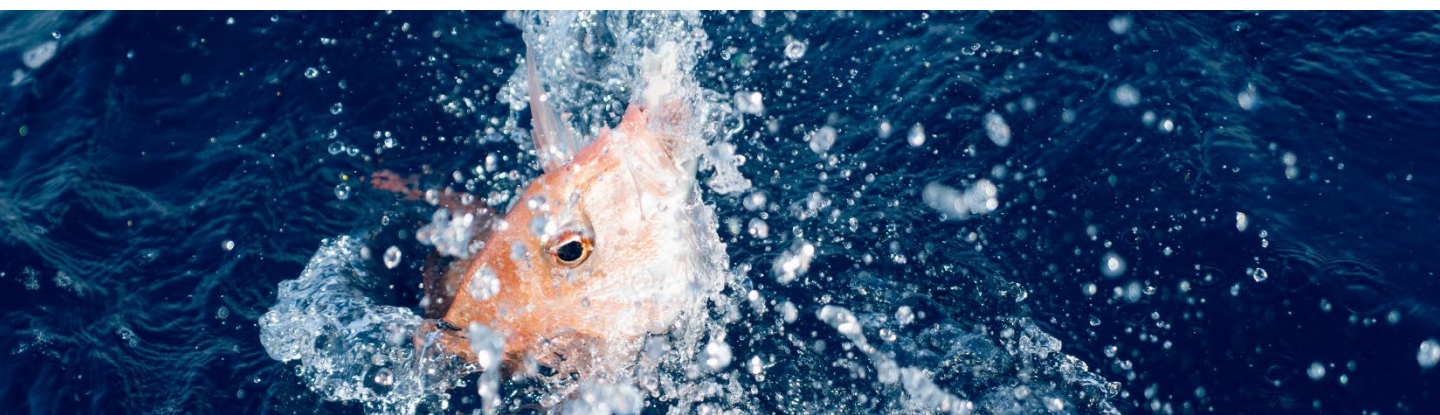
The Select Committee is due to provide its report to the House on the Bill on 12 September 2022.

Further information on the Bill can be found on the MPI website:

<https://www.mpi.govt.nz/fishing-aquaculture/commercial-fishing/fisheries-change-programme/fisheries-amendment-bill/>

### Implementation:

- **Note:** There are no changes in the Bill that will require fishers to land non-QMS species.
- There will be a four-year transition period with respect to QMS landing exemptions (ending October 2026) to provide time for commercial fishers to transition their operations. Some of these QMS landing exemptions are already considered to meet the new rules and proposed to be retained.
- In the transition period we will complete a series of reviews of the remaining exemptions (that are not already being carried forward) around permitted or mandatory returns of QMS fish to the sea. This includes species such as spiny dogfish, blue shark, and sub-minimum legal size snapper.
- Input and participation for tangata whenua and engagement with stakeholders will be provided for during this review process.





## Fisheries Amendment Bill: Infringement system for landing and discards

### Context

The **Fisheries Amendment Bill** proposes a more graduated offences and penalties model for landing and discard offences. This graduated approach includes enabling the development of an infringement system in regulations.

### Why is an infringement system needed for landings and discards?

Currently, the offences and penalties regime in the Fisheries Act for illegal discarding and retention of fish is based on a low probability of being caught (as historically there have been few ways to monitor fisher behaviour at sea) and high consequences when illegal behaviour is detected, regardless of the level of offending. The introduction of on-board cameras will improve MPI's ability to detect non-compliant activity, including illegal landing and discarding.

Infringement offences involve relatively small penalty fees to deter lower-level offending. Common examples include parking or speeding tickets, and infringement fees already exist to deter unlawful recreational fishing or commercial catch reporting.

An infringement system will allow MPI to issue infringement notices for lower-level breaches of the landing and discarding rules when they are detected. This will complement the roll out of on-board cameras by providing MPI a greater range of tools in order to proportionately address illegal activity and encourage behaviour change.

### Options we have identified for the infringement system

The main challenge is that the infringement system must cover a broad range of operators, activity and fish species. For example, fish stocks (including shellfish and crustaceans) are not equal in abundance, sustainability status, or economic value, indicating that a species-specific approach to infringement penalties may be warranted. The options we have identified range from a simple system that involves one flat fee for any low-level landing and discard offence, to a complex and targeted system that differentiates between the number and types of fish involved in the unlawful behaviour. Possible options include:

- a) A flat infringement fee that would cover any low-level landing and discard offence.
- b) An infringement fee based on the quantity of fish discarded/retained (this option would not differentiate between species).
- c) An infringement fee based on both the species and quantity of fish discarded/retained. This system may categorise fish based on value or abundance.

Criteria to evaluate options may include:

- a) Incentivises compliance
- b) Administratively efficient
- c) Proportionate to the level of offending
- d) Comparable to similar offences
- e) Simple to understand



## Fisheries Amendment Bill – Disposal of fish

### Context

The Fisheries Amendment Bill proposes amendments to s191 of the Fisheries Act to empower the making of regulations under s297 to enable alternative methods for the disposal of landed fish by commercial fishers. This includes:

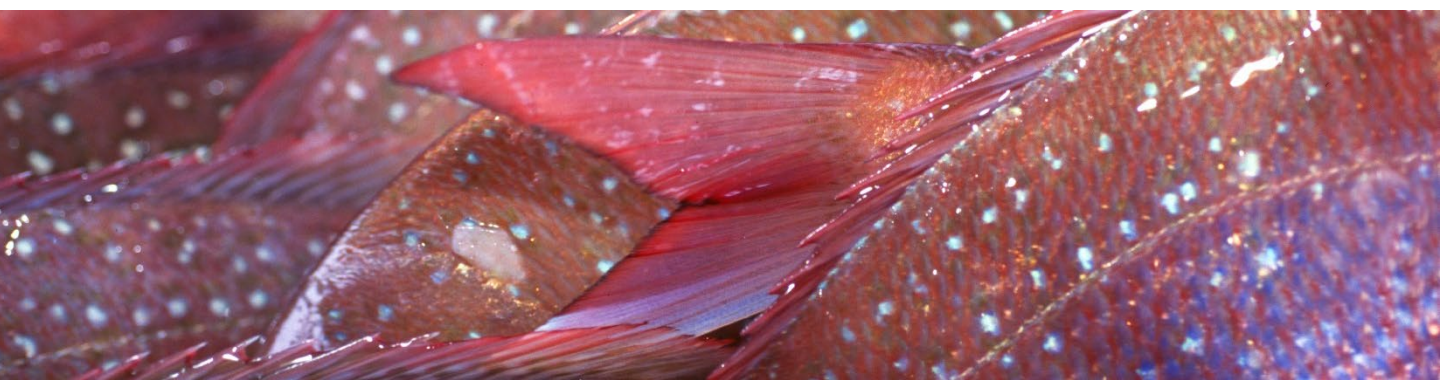
- authorising the chief executive to approve alternative methods of disposal of fish, aquatic life, or seaweed:
- providing for applications to use an approved alternative method of disposal and prescribing requirements relating to applications:
- prescribing criteria that the chief executive must take into account in considering an application:
- prescribing requirements relating to the disposal of fish, aquatic life, or seaweed by an approved method of disposal:
- providing for, and prescribing requirements relating to, the verification of the alternative methods of disposal of fish, aquatic life, or seaweed.

### Why is there need for alternative methods for disposal of fish on land?

- The new landings and discards rules, coupled with the introduction of on-board cameras, are likely to result in higher volumes of unwanted QMS catch/fish being landed, at least initially. There is considerable uncertainty around the volume and types of unwanted fish that might be landed and the potential impact on fishers.
- Under s191 of the Act, fishers are required to sell or otherwise dispose of fish to an Licensed Fish Receiver (LFR) or through wharf sales (with some limited exceptions). There is no obligation on an LFR to accept all catch, and only small volumes of fish can be sold through wharf sales.
- If fishers are unable to dispose of fish through existing disposal avenues they would end up in a situation where they have no legal avenues to dispose of their unwanted catch.

### What will the regulations enable?

- The regulations would describe what alternative methods of disposal of fish are available to fishers, and whether they are required to submit an application to the Director General for approval prior to using an alternative disposal process.
- Any new disposal process(es) would be monitored and assessed during the transition period, as they are intended to be temporary measures and not provide a permanent avenue for the disposal of fish. MPI would work with fishers and LFRs to understand the reasons for making use of an alternative disposal process, and to help remove barriers to disposing of fish through LFRs.





## What alternative disposal processes will the regulations enable?

Three alternative disposal process options have been identified so far. These, and any other options identified, will be further assessed and developed over the coming months prior to public consultation.

### **Option 1: Direct disposal of unwanted fish to landfills or other waste management facilities.**

- Disposal to landfill, etc., will come with a cost to the fisher because of, e.g., transport and landfill fees, which could be significant.
- Direct disposal of fish to landfill or waste management companies may be perceived negatively. However, due to the costs associated with disposing of fish to landfills, fishers are likely to treat this as a last resort, and prioritise exploring disposal through existing avenues (e.g. through LFRs).
- Due to the simplicity (limited avenues) of this option, application approvals could be automatic, with verification undertaken after disposal has occurred (e.g. submission of receipt). There would likely be no or minimal delay for fishers to receive approvals and be able to dispose of unwanted catch.

### **Option 2: Direct disposal of unwanted fish to landfills or other waste management facilities, and for non-direct human consumption and non-profit purpose.**

- This option enables fishers to find new use options for unwanted fish, which may include generating some revenue by selling fish for non-direct human consumption (e.g. fish meal or cosmetics).
- While this option may reduce waste (to landfill), if fishers find profitable alternative uses, it may reduce incentives for them to work with LFRs. We need LFRs to verify landed catch; good information underpins our fisheries management system.
- This option provides for multiple disposal avenues, which could impact on the quality of catch verification and information. Each application is likely to require some level of analysis before an approval can be granted, which may result in delays to fishers receiving approvals because of longer processing times to undertake the analysis.

### **Option 3: Establish a parallel 'wharf sale' framework enabling online transactions**

- This option would be in addition to Option 1 or 2. It replicates the existing wharf sale process under s191 but enables online transactions, rather than transactions needing to occur on, or in the vicinity of, the fishing vessel. This could benefit fishers where limited access to wharfs currently presents a barrier to undertaking wharf sales.
- The same limits around volumes per transaction and reporting requirements for wharf sales currently provided for under s191 would apply.
- No application process would be required under this option. The administrative framework would only require MPI/FNZ to approve a remote platform for fishers to enable online transactions (e.g., Fish Local).

***We seek your early views on the development of these regulatory options.***

***Public consultation will occur later this year.***

***Implementation of any new regulations would be targeted no later than six months after the Bill being passed.***