



MINISTRY OF FISHERIES

Te Tautiaki i nga tini a Tangaroa

BRIEFING FOR THE MINISTER OF FISHERIES

20 September 2005

New Zealand fisheries at a glance

NZ Marine Fisheries Waters (EEZ and Territorial Sea)	4.4 million km ²
NZ Coastline	15,000 km
Marine species described ¹	8,000
Species commercially fished	130
Productivity of the fishery	Medium
Ecosystems	Diverse
Climate	Sub-tropical to sub-Antarctic

Quota Management System stocks

Number of species/species complexes in the QMS	93
Individual stocks in the QMS	550
Information available on stock status ²	60-70%
Stocks at or near target level ³	80%

Customary Fisheries

Temporary closures	6
Taiapure-local fisheries	7
Mātaitai reserves	5
Tangata Tiaki appointed (South Island)	131
Tangata Kaitiaki appointed (North Island)	148

Recreational Fisheries

Recreational fishers (as a % of the population)	20%
Estimated annual take ⁴	25,000 t

Commercial Fisheries and Aquaculture

Total export value 2004 (FOB)	\$1.2 billion
Capture fisheries	\$1.0 billion
Aquaculture	\$200 million
Direct subsidies	Nil
Fisheries management costs recovered from industry (2004/05) ⁵	\$28 million
Total quota value ⁶	\$3.5 billion
Persons with quota holding	2,200
Commercial fishing vessels	1502
Processors and Licensed Fish Receivers	239
Direct employment (full time equivalents) ⁷	10,500
Direct & indirect employment (full time equivalents)	26,000

Ministry of Fisheries

Staff number (June 2005)	382
Budget 2005/06 (excl GST)	\$85.7 million
Net Assets	\$9.5 million

Our role

The role of the Ministry, working with other government agencies, is to advise on, and implement, government policy in the following areas of core responsibility:

- ensuring sustainability of fish stocks and protection of the aquatic environment
- meeting international and Deed of Settlement obligations
- providing for maximum value from fisheries resources to be realised
- facilitating sustainable development
- ensuring integrity of management systems.

¹ NZ Biodiversity Strategy, 2000

² Percentage of stocks calculated by weight and value

³ Of the stocks for which we have information for current stock size, 80% are at or near target levels. For the remainder of those stocks, rebuild strategies are in place.

⁴ 1999/00 Survey of Recreational Fishing

⁵ Includes the 1 April 2005 Cost Recovery Levy Amendment orders and transaction charges

⁶ Statistics New Zealand. Fish monetary stock accounts. Calculated on basis of average quota trade price x TACC.

⁷ McDermott Fairgray Group, 2000, Economic impact assessment for NZ regions. Prepared for the NZ Seafood Industry Council

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INTRODUCTION

This briefing provides an overview of the fisheries sector and the key issues likely to come before the Minister of Fisheries over the next three years. It details the contribution of the Ministry of Fisheries to the Government's role in fisheries management and the wider marine sector.

Fisheries management in New Zealand deals with a resource that is ecologically, socially, culturally and economically important to the country as a whole. The management approach acknowledges the customary use and management rights of tangata whenua; reflects the fact that, as an island nation and signatory to the United Nations Convention on the Law of the Sea, we have international obligations relating to fisheries in New Zealand waters and in the high seas; and deals with the underlying tensions between groups interested in fishing and those groups concerned primarily with conservation of resources.

Fisheries management relates to the relationship New Zealanders have with the ocean and their environment, and their aspirations for the future of that environment. The fisheries sector is characterised by tension between various participants who have competing values and objectives. The sector has also been at the forefront of innovation and change, with considerable ongoing legislative amendment.

The operating environment for the Minister of Fisheries and the Ministry can be very difficult. While we have a well-developed scientific, legal and strategic framework, our fisheries and their management are under ongoing public scrutiny. Six particular factors impact on the operating environment:

- divergent views on the long-term direction of oceans and fisheries management
- different views on appropriate access to fisheries for recreational, customary and commercial fishers
- different views on the appropriate balance between protection of the marine environment and sustainable use of fisheries resources
- users of fisheries having firm views on fisheries management and not being reluctant to make those views known, including through the courts and the political system
- lack of public awareness and understanding of fisheries management resulting in ill-informed debate and lower-than-desired public support
- the Ministry, tangata whenua and stakeholders having insufficient incentives, capability, capacity and information to optimise management of fisheries.

The Minister is central to the way in which fisheries management issues are addressed and reconciled and is in a position to provide leadership and direction within the fisheries sector.

To improve fisheries management, the Ministry has identified the following priorities for the period until 2008:

leadership and collaboration

- providing increased leadership in the fisheries sector
- improving tangata whenua and stakeholder engagement
- improving the availability of information

focus on achieving outcomes

- improving the environmental performance of fishing
- enhancing the value obtained by tangata whenua and stakeholders

integration and accountability

- increasing our focus on international fisheries issues
- increasing our focus on management of the broader marine environment
- improving our monitoring and reporting on performance of fisheries
- developing and implementing new management approaches

maintain the integrity of existing management systems

MANAGING FOR OUTCOMES

Since 2003 the Ministry of Fisheries has focussed on the following overall fisheries outcome:

“The value New Zealanders obtain from the sustainable use of fisheries resources and protection of the aquatic environment is maximised.”

The relationship between the Government’s goals and strategies, and the overall fisheries outcome, contributing outcomes, and departmental output expenses is shown in Figure 1. The outcomes and outputs are described in more detail below.

The Ministry does not have responsibility for all the contributions required to achieve the fishery outcome and must rely on contributions from others—government agencies, iwi and hapū, stakeholders and the public.

To achieve the overall fisheries outcome, the Ministry has identified four contributing outcomes:

- the health of the aquatic environment is protected
- people are able to realise the best value from the sustainable and efficient use of fisheries
- Crown obligations to Maori with respect to fisheries are delivered
- credible fisheries management

Figure 1. Managing for outcomes

Government goals and strategies

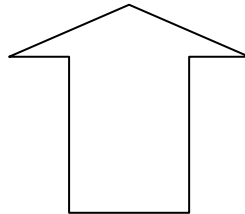
Goals

- Strengthen national identity and uphold the principles of the Treaty of Waitangi
- Grow an inclusive, innovative economy for the benefit of all
- Maintain trust in Government and provide strong social services
- Improve New Zealanders’ skills
- Protect and enhance the environment

Strategies

- Sustainable Development
- Biodiversity
- Growth and Innovation

Overall fishery outcome



The value New Zealanders obtain through the sustainable use of fisheries resources and protection of the aquatic environment is maximised

Contributing outcomes

Four grey rounded rectangular boxes, each with an upward-pointing arrow below it, representing contributing outcomes:

- Health of aquatic environment protected
- Best value able to be realised
- Obligations to Māori delivered
- Credible fisheries management

Departmental Output Expenses

Five white rounded rectangular boxes, each with an upward-pointing arrow above it, representing departmental output expenses:

- Fisheries Policy
- Fisheries Information
- Fisheries Operations
- Fisheries Compliance
- Aquaculture Settlement

Health of the Aquatic Environment Protected

Protecting the health of the aquatic environment means that government, in consultation with stakeholders, should determine the limits of acceptable human-induced change, and ensure that these limits are not exceeded.

The government has an obligation to ensure that use of fisheries resources does not compromise the sustainability of fisheries resources or the wider aquatic environment. Most uses of fisheries resources—and other uses of the aquatic environment—affect the aquatic environment in some way. Some of those effects pose no significant risk because they are minor in intensity or scale, or because the effect occurs only for a short period. But other effects pose greater risk because they are high in intensity, broad in scale, last for a long period, or occur in a particularly sensitive environment.

Best Value Able to be Realised

Fisheries are valued for a wide range of uses, including customary, recreational and commercial harvesting as well as non-extractive uses. Within limits set to ensure sustainability, best value can be realised by ensuring access, to fisheries resources, is distributed between users in a manner that allows the resources to be used by those who obtain the most value from them.

Where practical, distribution of access to achieve best value will be carried out by market mechanisms. Under the Quota Management System (QMS), commercial rights to harvest fish can be traded and it is assumed that those who value commercial fishing rights most will be able to buy them. The government's role in allocating fisheries resources within the commercial sector is now minimal. However, there is currently no mechanism, such as a market, for stakeholders to adjust levels of access to fisheries resources between sectors, or between individuals within non-commercial fisheries sectors. In the absence of such a mechanism, the Government is required to determine allocations. Over the longer term we should be working toward enabling tangata whenua and stakeholder representatives to reach agreements themselves on the best way to manage shared fisheries to meet their respective interests.

Over the medium term, the Ministry's primary role in allocation is to help tangata whenua and stakeholders work together to identify how they want to maximise value from a fishery—including through allocations between sectors. Where consensus cannot be achieved, the Ministry's role is to convey tangata whenua and stakeholder views to the Minister, provide advice on the implications of different options, and implement the Minister's decision.

The Ministry also contributes to maximising value by ensuring that management of fisheries focuses on achieving clear objectives, and that a process of assessment of risks and opportunities, in relation to objectives, is used to prioritise the resultant management measures and services.

The Ministry will facilitate and encourage initiatives to increase the value that customary, recreational, and commercial fishers obtain from the fishery. These include tangata whenua-led and stakeholder-led approaches to add value to fisheries and government-led approaches to ensure fair allocation of resources.

The Ministry recognises that fisheries are valued for non-extractive as well as extractive uses. Under the current legislative framework, certain non-extractive uses (such as existence values) can be met through sustainability requirements; however, non-extractive uses such as fish-viewing, which may require restrictions on fishing in a particular area, cannot be provided for directly. To

maximise the value of fisheries resources we need to explore options to provide for non-extractive uses, in a manner that fairly addresses the interests of non-extractive users, as well as the interests of existing extractive users.

Obligations to Maori Delivered

The Ministry recognises the status of Maori as tangata whenua. The 1992 Fisheries Deed of Settlement addressed Maori fishing claims under the Treaty of Waitangi. Under the Deed of Settlement the Crown has specific ongoing obligations to consult with tangata whenua about, and develop policies to help recognise, use and management practices of Maori in the exercise of non-commercial fishing rights. The Crown must also recognise and provide for customary non-commercial fishing and allocate to Maori 20% of the quota of all new species entering the QMS. The Ministry will deliver on its obligations to Maori with respect to fishing by implementing our Deed of Settlement obligations, as set out in the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992 and the customary fishing regulations, and by acting consistently with Treaty principles. The Ministry will work to establish and maintain effective relationships with tangata whenua.

Under recent aquaculture legislation, the Crown has a responsibility to implement the aquaculture settlement. This requires that iwi are provided with equivalent to 20% of marine farming space approved since September 1992 and 20% of all new space identified in Aquaculture Management Areas.

The Crown also has specific fisheries-related obligations arising from settlements with individual iwi.

Credible Fisheries Management

Credibility of management frameworks, and the Ministry responsible for operating them, is important for effective management of fisheries, especially in respect of voluntary compliance with fisheries rules. Credibility of fisheries management, which also contributes to respect for laws in general and other management institutions, is affected by a range of factors.

Tangata whenua and stakeholders need to know that the scientific and other information on which decisions are made is robust, that decision-making processes are effective and fair, and that decisions are properly implemented. Critical information includes research on the status of fish stocks and impacts on the aquatic environment, ownership of quota shares and annual catch entitlements (ACE), and the amount of each fish stock harvested by each fisher and in total. Critical decision-making processes include setting the Total Allowable Catch (TAC) and the Total Allowable Commercial Catch (TACC), determining other fisheries management controls, and setting cost recovery charges. Effective compliance—achieved through both appropriate incentives for voluntary compliance and strong deterrence—is critical to ensure effective implementation of fisheries policies.

Another important contributor to credibility is effective engagement with tangata whenua, stakeholders, other government organisations, and the public in management of fisheries. Constructive engagement requires the Ministry to focus on relationship management, communication, and building tangata whenua and stakeholder capacity to participate effectively in management processes. The Ministry will engage with different fisheries sectors both separately and together. Engaging separately with each sector, including engagement with tangata whenua, will enable Ministry staff and sector group representatives to discuss issues of concern and options

for constructive resolution. Engagement with different sectors in multi-sector forums will focus on the development of standards and obtaining consensus on fisheries plan objectives.

Outputs

To achieve the contributing outcomes, and overall fisheries outcome, the Ministry provides a range of outputs, grouped into five departmental output expenses: fisheries policy, fisheries information, fisheries operations, fisheries compliance, and aquaculture settlement.

The first four outputs contribute to achieving all the contributing outcomes.

Policy analysis is required to help ensure existing management frameworks operate appropriately and, where necessary, to develop new frameworks to meet the outcomes.

Information is vital to maintaining the integrity of all management frameworks. Appropriate information on the state of fish stocks and the effects of fishing on the aquatic environment is required to ensure sustainability. Information is also required to ensure the level of access granted to particular groups and individuals is appropriate, and that use levels remain within the access granted.

Management of fisheries is complex and can have major effects on the value of fisheries through its impact on fish stocks, the aquatic environment and users' access. To ensure cost-effective management, and contribute to maximising value, processes and systems must be well designed and well operated.

The temptation to exceed fisheries access rights is often strong, and effective deterrents are required. Therefore effective enforcement is important, along with education and other contributors to voluntary compliance.

The aquaculture settlement output contributes primarily to meeting Crown obligations to Maori.

Output - Fisheries Policy

This output covers the development and review of policy and legal frameworks required for the sustainable and efficient utilisation of fisheries. This includes providing advice on fisheries outcomes and standards, monitoring, international fisheries issues, and participation in wider marine management initiatives such as the development of an Oceans Policy. Advice is also provided on the impact and implementation of Treaty of Waitangi settlements. Government requests for other policy advice are also covered by this output.

Output - Fisheries Information

This output covers the gathering and analysis of data about New Zealand's fisheries and marine biodiversity. This information supports the scientific evaluation of the status of fisheries resources, the effects of fishing on the aquatic environment, alternative strategies and measures to give effect to the desired management strategy, and analysis of cultural, social and economic factors relevant to management decisions.

Output - Fisheries Operations

This output covers the provision of a series of baseline fisheries management services, including development of fisheries plans, advice on sustainability and utilisation decisions, determining marine farming applications, and advice on marine reserve concurrence. This output also covers processing and advice on customary applications; managing and disseminating fisheries management information; and creating, maintaining, and reviewing service delivery standards.

Output - Fisheries Compliance

This output covers activities aimed at maximising voluntary compliance with fisheries rules and creating effective deterrence. This includes providing education services to fishers about their responsibilities, the rules, and the rationale for those rules; collecting compliance information for use when reviewing rules and targeting enforcement resources; and activities to monitor, detect and prosecute fisheries offences.

Output - Aquaculture Settlement

This output covers activities required to meet the Crown's obligations under the Maori Aquaculture Claims Settlement Act 2004. These include determining how much existing and new marine farming space in each region is to be transferred to the trustee; establishing and maintaining an aquaculture settlement register; and monitoring the funding and delivery of outputs by Te Ohu Kai Moana Trustee Limited (TOKMTL) for its role as trustee in relation to settlement assets.

Improving Ministry performance

Earlier this year steps were taken to enhance the Ministry's capacity to deliver fisheries management priorities and achieve greater value from the Government's investment in fisheries management. This work led on from the appointment of the new Chief Executive, Dr John Glaister, and has resulted in changes being made to the organisational structure and governance arrangements. The changes have resulted in there being more integration between the senior management team and business groups. In addition clear lines of accountability have been provided for the delivery of a wide range of Ministry services.

Key aspects of the changes are:

- the establishment of a new senior management structure. A flatter reporting structure has been created at the senior level of the Ministry. A senior managers' team has been established to advise the Chief Executive on critical fisheries issues and organisational decisions, enabling effective leadership on major issues facing the fisheries sector
- the Ministry has moved to integrate processes and build a cross-business group approach to fisheries management issues. A systems approach is also being developed to deliver Ministry outputs, ensuring business groups and staff are able to work outside current boundaries in an integrated, constructive and collaborative manner
- the Ministry is aligning its fisheries management functions with its strategic direction. Fisheries operations, fisheries science and fisheries compliance are being aligned to better support the Ministry's strategic policy direction and fisheries outcomes. Part of this involves service delivery being driven off fisheries plans and other policy.

Work has also commenced and will continue in the 2006/07 year, on development of the core infrastructure of the Ministry. Investments in systems, information and development of staff are required to ensure Ministry personnel can work in the way envisaged by the Statement of Intent.

Delivery of relevant information to stakeholders and Ministry staff is critical. During 2004/05 the strategy for information was developed and initial projects are now underway to enhance the performance of the Ministry. In future years, increased focus on information on fisheries will be achieved. Initiatives include:

- new records and document management systems and procedures to maintain historical records, and access new information
- new core financial systems to replace those originally installed in 1995
- tangata whenua and stakeholder relationship management system to ensure we have accurate and nationally consistent information to support Ministry engagement with tangata whenua and stakeholders.

Initiatives are also underway to address workplace improvements. These include:

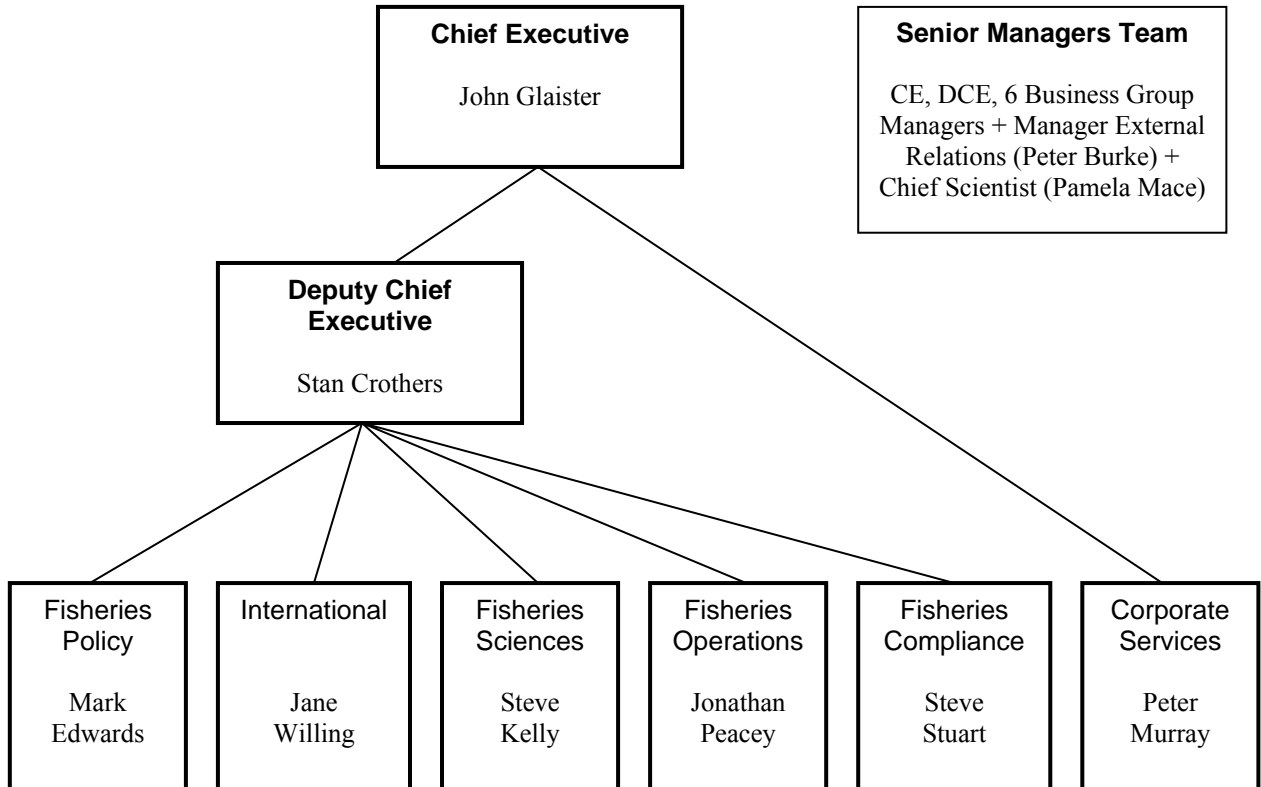
- handling of feedback and complaints will follow a new, nationally monitored, complaints policy and process
- implementation of workforce planning in the Ministry
- improved management capability, building on work in 2001/02 with a skill development programme
- upgraded and efficient office accommodation for fisheries operations and compliance services at Nelson
- re-alignment work on compliance services
- ongoing focus on culture and working in a constructive way
- implementation of efficient office accommodation for Wellington CBD-based staff
- improved integration of Ministry work processes to support the objectives-based approach to fisheries management.

MINISTRY ORGANISATION AND CAPACITY

Overview

The Ministry was established on 1 July 1995 and, at 30 June 2005, employed 382 permanent and temporary staff.

Figure 2. Ministry organisation



Dr John Glaister - Chief Executive

Dr Glaister joined the Ministry as Chief Executive in December 2004. He was formerly Deputy Director-General Innovation in the Department of State Development and Innovation in Queensland, Australia, responsible for the administration of science, research and innovation, commercialisation and IT in Queensland and the “Smart State” Strategy.

Prior to this role, Dr Glaister held various scientific and management positions in fisheries research and resource management in New South Wales, the Northern Territory and Queensland, Australia. From 1995-1999 he was the Chief Executive Officer and Director of New South Wales Fisheries. His international experience includes a Fulbright Postdoctoral fellowship in fisheries at the University of Miami in 1986, co-chair of the Third World Fisheries Congress, Beijing (2000), Chair, World Aquaculture Conference, Sydney (1999) and Chair, the Second World Fisheries Congress, Brisbane (1996). Dr Glaister has an MSc (Marine Zoology), PhD (Biological Sciences), MBA and PhD (Sociology).

Stan Crothers – Deputy Chief Executive

Stan has worked in the Ministry for over 30 years and has international, policy, regulatory, compliance and machinery of government expertise. Stan has worked in New Zealand, and USA and provided fisheries management advice to Chile, Argentina, Kenya, Australia, Pacific Island states and FAO. He has also been involved in State Sector reform, establishing the New Zealand Exclusive Economic Zone, designing and implementing New Zealand’s successful Quota Management System, and leading the establishment of the Ministry of Fisheries. More recently he has worked on developing institutional frameworks to decentralise fisheries services, and has been involved in policy development, including cost recovery, defining and protecting customary fishing rights, aquaculture reform, recreational reform, and Oceans Policy.

The Ministry’s Senior Management Team (SMT) advises the Chief Executive on strategic leadership and management across the Ministry, including all significant fisheries management and organisational issues. The SMT is made up of the Chief Executive, Deputy Chief Executive, the six business group managers, the Manager External Relations, and the Chief Scientist.

Business groups

The Ministry is organised into six business groups: Fisheries Policy, International, Fisheries Sciences, Fisheries Operations, Fisheries Compliance, and Corporate Services. The manager of each business group has responsibility to deliver on components of the Statement of Intent for which they are accountable including delivery of outputs, cost centre budget management and staff management.

Fisheries Policy Business Group

Mark Edwards - Manager Fisheries Policy

Mark Edwards joined the former Ministry of Agriculture and Fisheries in 1990 following completion of a Masters in Marine Science. He became a manager in the Fisheries Policy Section after it was established in 1991 and transferred to the position of Policy Manager with the establishment of the Ministry of Fisheries in 1995. In late 2000, he took up the position of Policy and Treaty Strategy Manager in the Ministry. Mark has chaired a wide range of domestic management forums with stakeholders and represented the Ministry in interdepartmental fora and with Ministers and Select Committees. In addition Mark regularly led delegations representing New Zealand at international fora in previous roles.

The Fisheries Policy business group has 13 staff and is based in Wellington and Nelson. The work of the group includes policy development, legislative change, and strategic planning.

The work programme focuses on:

- fisheries reforms to enhance the management of, and value obtained from, New Zealand fisheries, including environmental performance, allocation and sector engagement, and adding value to fisheries sectors
- fisheries outcomes, monitoring and reporting
- marine resource management including Oceans Policy and other multi-departmental and whole-of-government initiatives
- Treaty settlements.

International Business Group

Jane Willing - Manager International

Jane Willing joined the former Ministry of Agriculture and Fisheries in 1991 and has managed various teams including Maori Fisheries, Aquaculture, Biosecurity and Recreational fisheries. Since 1992 Jane has managed the International Fisheries team. In this capacity she has led a number of New Zealand delegations in international negotiations, and chaired several FAO and OECD workshops and meetings. Jane has a degree in International Relations and Political Science, and is a Harvard Executive Fellow. Before joining the Ministry she held positions in Parliamentary Services in specialist areas of International Relations and Defence.

The International business group has 7 staff and is based in Wellington. This business group works in the areas of international strategy, policy development and access. The group is also involved in international treaties and frameworks, and developing country assistance. The aim of the group is to promote sustainable use of international fisheries through the establishment of robust governance arrangements and management regimes for fisheries resources beyond New Zealand's Exclusive Economic Zone.

The work programme promotes and protects New Zealand's fisheries interests through engagement in:

- regional fisheries management organisations and other international management arrangements, such the Commission for the Conservation of Southern Bluefin Tuna (CCSBT), the Western and Central Pacific Fisheries Commission (WCPFC), the Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR), and the South Tasman Rise (STR)
- international advisory institutions (e.g. the fisheries committees or working groups of Asia Pacific Economic Cooperation (APEC), the Food and Agriculture Organisation (FAO), the United Nations, and the Organisation for Economic Cooperation and Development (OECD).

Fisheries Sciences Business Group

Steve Kelly - National Manager Fisheries Sciences

Steve has recently been appointed to the position of National Manager Fisheries Sciences. He joined the Ministry at the beginning of 2005 as manager of the fisheries Observer Services team. Prior to joining the Ministry, Steve worked for Fonterra where he was based mainly in the Middle East and Asia. His initial roles with the company were in sales and marketing. Later he took up positions with the Operating Company and in Regional Management. On his return to New Zealand Steve assumed responsibility for the Fonterra supply chain team responsible for the technical and logistical servicing of Fonterra's global ingredients customers. Steve has extensive commercial experience including organisational process design and financial management.

The Fisheries Science business group consists of four units: Fisheries Science, Research Data Management, Observers and a yet-to-be-established Socio-Economics Team. The Science Team currently has 14 scientists on staff located in Wellington and Nelson; they are primarily responsible for planning and conducting scientific research, coordinating and chairing stock assessment and environmental impact meetings, and providing scientific advice to inform Fisheries Operations, Fisheries Policy, Compliance and International fisheries. The primary function of the Fisheries Research Data Management group is to ensure that high quality scientific data is available to those responsible for providing advice on the sustainability of fisheries resources. This group currently has 10 staff that work on managing Ministry of Fisheries scientific data, which includes Catch-Effort, Observer, Geo-spatial, Biosecurity, Research and Reference data. The group also supplies marine biosecurity data management services to MAF through to June 2007. The Observer Programme has eight permanent shore-based staff and approximately 50 observers engaged on fixed-term contracts to provide at-sea observer coverage.

The current research programme focuses on:

- maintaining the stock assessment programmes for the major deepwater and inshore commercial stocks (hoki, hake, ling, orange roughy, oreos, snapper and rock lobster).
- stock monitoring for many other target and bycatch species, dispersed amongst 13 Working Groups that each meet several times throughout the year.
- estimation of recreational harvest levels for priority stocks (e.g. snapper, tarakihi, kahawai) .
- research into the effects of fishing on marine ecosystems (including seamounts) and protected species (seabirds and marine mammals).
- biodiversity research in New Zealand and the Ross Sea.

The Ministry's Chief Scientist heads the Fisheries Science Team and is also a member of the Senior Management Team.

Pamela Mace – Chief Scientist

Pamela has been involved in the field of fisheries science for more than 25 years. She spent nine years studying and working in Canada, where she earned a PhD from the University of British Columbia. Pamela returned to New Zealand in 1986 for two years (1986-88) in time to be involved in the scientific aspects of implementation of the QMS, and then spent 15 years in the United States working in fisheries in various capacities. Her last position there was the National Stock Assessment Coordinator for the National Marine Fisheries Service. She joined the Ministry as Special Projects Scientist in February 2004, and was promoted to Chief Scientist in February 2005. Pamela's main areas of expertise are fish stock assessments, the development and implementation of fisheries harvest strategies, ecosystem approaches to fisheries and the development of criteria for defining species at risk.

Fisheries Operations Business Group

Jonathan Peacey - National Manager Fisheries Operations

Jonathan was appointed to this position in early September 2005. He has worked in the fisheries sector for over 20 years in a range of roles including fisheries manager in the Ministry's Dunedin Office, Assistant General Manager of the New Zealand Fishing Industry Board, Acting Science Manager of the New Zealand Seafood Industry Council, Fisheries Director of the Marine Stewardship Council (MSC), based in London and, most recently, as Chief Policy Analyst with the Ministry of Fisheries. He also worked with the Ministry of Fisheries Establishment Unit in 1994 and has worked as a consultant for a wide range of fisheries clients. He has worked on a wide range of projects including implementation of the Quota Management System, designing and implementing the rock lobster tail width gauge, writing the Seafood Industry Foresight Strategy, chairing the National Rock Lobster Advisory Group, refining the MSC assessment methodology, and developing the Ministry's Strategy for Managing the Environmental Effects of Fishing.

The Fisheries Operations business group has 81 staff, located in Auckland, Wellington, Nelson and Dunedin. This business group provides a wide range of baseline fisheries services. The Pou Hononga (described below) and extension support capacity are also part of the fisheries operations business group.

The current work programme includes:

- development and evaluation of fisheries plans
- the bi-annual review of fisheries sustainability and other management controls measures
- introduction of new fish stocks into the QMS
- establishing and supporting the regional iwi forums
- establishing and supporting the regional recreational advisory groups
- implementing the Fiordland marine resource management plan
- application of the customary fishing regulations, including appointment of kaitiaki, and establishment of mātaimai, taiapure, and temporary closed areas
- marine reserve concurrence
- biosecurity advice
- managing the cost recovery process
- managing and monitoring devolved and contracted registry services
- aquaculture, including marine and freshwater farm permit decisions and implementation of the aquaculture reforms.

Fisheries Compliance Business Group

Steve Stuart - National Manager Fisheries Compliance

Steve joined the Ministry in 1992 in Nelson after a 14-year career in the New Zealand Police. Since 1992 he has held various fisheries compliance management positions including District Compliance Manager, Manager of the Serious Offences Unit, and National Operations Manager. Steve has a business studies diploma and a Masters degree (with Distinction) in business management from Massey University, and has worked on secondment with Fisheries and Oceans Canada.

The Fisheries Compliance business group has 180 staff including Fisheries Officers and Fisheries Prosecutors. The group has District offices in Whangarei, Auckland, Tauranga, Napier, Wellington, Nelson, Christchurch, Dunedin, and Invercargill. There are local offices in Chatham Islands, Hamilton, Kaitaia, Gisborne, New Plymouth, Blenheim, Masterton, Opotiki, and Whitianga. The group provides enforcement services—including fisheries surveillance, investigation and prosecutions—as well as education and liaison services. The group is also responsible for management and training of the Honorary Fisheries Officers.

Fisheries Compliance has recently undergone a change process to better align the group to deliver compliance services consistent with fisheries management goals and objectives. The management structure has moved from a district and regional focus to national management of functional groups. In support of the alignment a new Compliance strategy is being developed together with 5-year sector plans underpinned by a risk based approach linked to fisheries management objectives.

The current work programme includes:

- increased effort to enforce and promote compliance with recreational fishing rules
- increased targeting of poaching and black market activities—including a multi-agency approach to protect paua and rock lobster stocks
- enforcement of commercial, customary and international fishing rules, including monitoring, investigation, and recommendations to prosecute
- prosecutions, including case preparation and management of forfeit property
- maintaining a Ministry/Industry compliance committee to resolve generic compliance issues
- maintaining strong working relationships with New Zealand Defence Forces and other enforcement agencies
- increased effort in ensuring the health and safety of Fisheries Officers in their work environment.

Corporate Services Business Group

Peter Murray - General Manager Corporate Services

Peter joined the Ministry in 1999 and has since led work on a number of major corporate projects including the outsourcing of registry services, cost recovery, and most recently implementation of the Aquaculture Settlement obligations. Prior to joining the Ministry, Peter held executive responsibility for corporate functions in the Wellington Area Health Board, then Capital Coast Health limited. Prior to this Peter held numerous roles in IBM New Zealand and IBM Australia, P&O Shipping and Deloitte. Peter graduated from Victoria University of Wellington in the mid 1970's with a BCA, and is a Chartered Accountant. He is currently studying for an EMPA with the ANZSoG and is a member of the LDC Executive Leadership Programme.

The Corporate Services Business Group has 104 staff. This business group manages all support groups and has responsibility for delivering legal, financial and information services within the Ministry. Other responsibilities include corporate monitoring, as well as the management and administration of corporate resources.

In July 2005 a new team was established within Corporate Services to provide an integrated support unit for the Chief Executive. This is to enable improvements to be made in the way the Minister's office is supported through ministerial servicing, relationship management with Government and key stakeholders, and provision of significantly enlarged external communications capability. The Manager External Relations is a member of the Senior Management Team.

Peter Burke - Manager External Relations

Peter joined the Ministry in July 2005. His role is primarily to manage the External Relations unit with a particular emphasis on ensuring that the Minister, tangata whenua and all Ministry stakeholders are consulted and communicated with effectively.

Peter has been a communications manager since 1988 in both local and central government. He has previously worked at the Foundation for Research, Science and Technology (FORST), and the Environmental Risk Management Authority (ERMA). A former television agricultural journalist and editor of the Radio New Zealand's rural team, he is also a life member of the New Zealand Guild of Agricultural Journalists.

Pou Hononga and extension capacity

Pou Hononga manage the Ministry/tangata whenua relationship at the regional level. This includes assisting the flow of information and working closely with the Ministry's Senior Fisheries Management Advisors in the region so the advisors and other Ministry business groups, as appropriate, can engage with tangata whenua at appropriate times.

The primary mechanism for building relationships with iwi and hapu is through regional fisheries forums established and organised by the Pou Hononga. A key idea behind regional fisheries forums is to facilitate the development of a common policy and management approach to fisheries

matters for the region. If participating representatives of the iwi and hapū are well prepared the forums can focus on the larger more significant issues of common interest for the region. To assist in this, the longer term plan is for each region/forum to have an extension support capacity to assist hapū and iwi representatives in undertaking their role, including identifying their hapū's key objectives and how they might be achieved, and helping them with any concerns they may have so that as many issues as possible can be resolved outside of the forum hui. The Ministry will initially employ extension officers. Once the forums and governance arrangements across the iwi and hapū are established the extension support capacity could be contracted directly by the forum to assist the designated iwi/hapū representatives.

Te Rōopū Awatea

In recognition of the special contribution of its Maori staff, the Ministry has established Te Rōopū Awatea. Te Rōopū Awatea is a network open to all staff. Te Rōopū Awatea provides support and advice to the Chief Executive and managers to develop positive and effective ways to work with Maori. The Ministry requires all staff to have the skills "to do their job" as part of being a Treaty partner and managing the Ministry's statutory responsibilities and it wants a workplace which values the contribution of its Maori staff, as it does the contribution of all of its staff.

Te Rōopū Awatea offers expert advice to help the Ministry achieve the following outcomes:

- staff to be comfortable with tahā Maori
- managers to be comfortable and confident to manage and motivate staff in taha Maori and attending "events Maori"
- policies, processes and an internal environment to reflect the values and beliefs of Maori and the needs of Maori public servants
- recruitment and retention issues with Maori staff
- Maori represented in positions and levels throughout the Ministry.

Finances

The Vote Fisheries departmental output expense budgets for 2005/06 in the Main Estimates total \$85.744 million (excluding GST), split between departmental output expenses as follows:

Table 1 – Vote Fisheries expense budgets

Departmental output expense	Main Estimates (\$m) 2005/06	As % of total
Fisheries policy advice	5.446	6%
Fisheries information	29.642	35%
Fisheries operations	19.232	22%
Fisheries compliance	29.742	35%
Aquaculture settlement	1.682	2%
Total	85.744	100%

The above figures for Aquaculture relate only to the Ministry's operational costs for such issues as establishing and maintaining the settlement register and collecting and managing information relating to existing and new marine farming space. However, from 2007/8 onwards, there will also

be costs related to the purchase of aquaculture space or the provision of financial equivalent where the space cannot be provided. These are capital costs and are estimated at \$35 - \$48 million over seven years. There is a specific Crown risk associated with this purchase. This was noted in the 2005 Budget document and is reproduced below.

Crown risk – Aquaculture Settlement

The Māori Commercial Aquaculture Claims Settlement Act 2004 addresses Māori claims in commercial marine farming space from 21 September 1992 to 31 December 2004 (“pre-commencement space”) by providing iwi with 20% equivalent space. This obligation is to be met through three possible options: the provision of additional new space, or Crown purchase of existing farms from 2008, or provision of the financial equivalent of space from 2013.

Under the Act, any Māori claim relating to new aquaculture space after 31 December 2004 will be met by the provision of 20% of the new space. To the extent that financial compensation or Crown purchase of existing farms is necessary to address Māori interests (as opposed to using new space), this would decrease the operating balance. The risk is unquantified as the amount or timing of any funding is unclear, and in addition, disclosure could compromise the Crown in negotiations with either commercial marine farm owners or iwi.

Cost recovery levies

The Fisheries Act 1996 empowers the Crown to recover its costs in respect of the provision of fisheries services. Section 262 of the Act sets out the specific principles to be followed in determining which services are subject to cost recovery.

Cost recovery levy orders occur annually, with the levies being set in time for the commencement of the fishing year on 1 October. The levy order for 1 October 2005 has been set. Additionally, there will be at least one revised cost recovery levy order, effective 1 April 2006, to accommodate:

- any TAC/TACC changes that may be approved by the Minister
- introduction of new species into the QMS
- latest information for research tenders and withdrawn/deleted projects
- application of prior year under and over recovery
- application of the remaining settlement sum relating to the 1994/95 to 2001/02 under and over recovery.

Industry Contributions

The following table shows the extent of industry contributions, including a share of Ministry overheads, to the cost of delivery of the Ministry’s outputs. Part A relates to the planned industry contributions as determined through the Statement of Intent consultation process. Part B details the amounts to be recovered annually as per the 1 April levy order (after the application of the adjustments noted above).

Table 2 – Industry contributions

Part A: Planned industry contributions	2001/02	2002/03	2003/04	2004/05	2005/06
	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)
Core departmental services	17.169	16.465	16.844	17.008	15.993
Research	14.126	16.133	15.223	14.704	15.742
Planned cost recovery levies	31.295	32.598	32.067	31.712	31.735
Transaction charges	1.972	1.137	1.733	2.356	2.423
Total planned industry contributions	33.267	33.735	33.800	34.068	34.158
Contribution as % of Vote: Fisheries	50%	51%	47%	45%	40%
Part B: Actual charges	2001/02	2002/03	2003/04	2004/05	2005/06
	(\$m)	(\$m)	(\$m)	(\$m)	(\$m) (planned Oct '05)
Levy order	30.605	32.012	22.891	31.220	31.735
Transaction charges	1.089	1.173	1.733	2.304	2.423
Planned contributions before adjustment	31.694	33.185	24.624	33.524	34.158
Net historic under and over settlement	0	0	(14.836)	(6.199)	*
Net prior year under and over recovery applied	0	0	(0.801)	0.108	**
Actual costs to be recovered	31.694	33.185	8.987	27.433	
Net industry contribution as % of Vote: Fisheries	47%	50%	13%	36%	

* There is \$2.691 million still to be applied as settlement credit for fisheries services. Some portion of this will be used in determining the 2005/06 cost recovery levies. The remaining amount will be applied in future years.

** Net under and over recovery of 2004/05 cost recovery levies cannot be determined until the audited results for the Ministry for the 2004/05 financial year are available.

Historically, the pattern of Ministry expenditure throughout the year has not fully reflected its budgeted expenditure, which has been the basis for determining cost recovery levies. The result is that there have been both under and over recoveries from the commercial fishing sector. The Ministry has processes and protocols in place to manage over and under recovery of cost with industry.

Litigation

The Ministry operates in an environment in which parties (primarily the fishing industry) often pursue matters through the Courts by way of judicial review. There are currently 7 cases against the Ministry. The current issues around which the litigation is centred include: challenges to individual permitting decisions (3 cases), challenges to scampi permitting decisions pre-1990 (3 cases) and a challenge to the Minister's TAC and TACC decision on kahawai (1 case). The scampi-related cases in particular will require considerable resources for the Ministry's Corporate Services (Legal) and Fisheries Operations business groups.

Boards for which the Minister of Fisheries has responsibility

Under the Fisheries Act, the Minister appoints taiapure management committees and the Catch History Review Committee. In addition, the Recreational Fishing Ministerial Advisory Committee was recently appointed.

Details of the membership of these committees and a short commentary on their functions are set out in Annex 3.

MAJOR OUTSTANDING ISSUES AND INITIATIVES

The Ministry of Fisheries is currently progressing the development of a number of institutional framework and fisheries management initiatives. An outline of this work, along with information on issues affecting some key fish stocks is provided under the following headings:

- Oceans Policy
- Recreational fishery rights, governance and allocations
- Jurisdiction of freshwater fisheries management
- Governance of high seas fisheries
- Better environmental performance
- Marine protected areas and marine reserves
- Improved stakeholder relationships and participation
- Fisheries plans
- Fishing industry and aquaculture development
- Compliance targeting of poaching and black market activities
- Compliance education for recreational fishers
- ‘Project Protector’
- Status of hoki stocks
- Status of deepwater fisheries

Oceans Policy

In July 2000 the Government agreed to develop an Oceans Policy for New Zealand. The purpose of the policy is to deliver integrated and consistent management of the oceans within New Zealand’s jurisdiction.

New Zealand’s ocean and marine resources are valued for a wide range of uses, which include visual amenity, fishing, transport, mining, marine farming, and pleasure boating. Conflict often arises amongst existing uses, and between existing and new uses, and trade-offs need to be made. There is, however, no overall policy framework for the government to set objectives for oceans management, and only limited means to reconcile competing uses in the marine environment.

The many statutes currently in place to manage activities in the marine environment have a variety of purposes and take different approaches to resource allocation and management. In addition, most of the statutes contain some mechanism to reconcile conflicts that arise between uses that are the focus of the particular statute, but there are no effective means to reconcile conflicts between uses regulated under different statutes—for instance, between the Fisheries Act and the Resource Management Act. This means the outcomes can be inconsistent and/or unfair. Recent examples where this inconsistency of approach has caused difficulties include the development of the aquaculture reforms and the Marine Reserves Bill. Existing processes may not be fair if a new use is authorised without taking into account any adverse consequences, such as spillover effects or restriction of access, on existing users.

In addition, current statutes fail to meet all existing operational issues associated with the marine environment, and they are not well placed to manage the opportunities and challenges of the future. The Resource Management Act allows for planning of the coastal marine area, but in practice this has been of limited effectiveness due to insufficient strategic direction in local government plans, capability and funding constraints, and limited allocation tools. In general, coastal permits are allocated on a first in, first served basis, and there are limited means within the Resource Management Act to select what might be the best use in any particular area. In the area beyond the territorial sea there is a very limited statutory framework to manage the environmental impacts or use conflicts associated with emerging uses (other than fishing or shipping).

In 2001, a Ministerial Advisory Committee led the consultation on an overall vision of the Oceans Policy. Officials subsequently prepared draft policy proposals. The project was put on hold in mid-2003 while the Government addressed issues concerning the foreshore and seabed. The Foreshore and Seabed Act was passed in late 2004, meaning that there is now certainty on how matters such as public access and customary rights to the foreshore and seabed need to be reflected in the Oceans Policy. The whole-of-government officials group was reconvened in early 2005 to revise the draft policy proposals in light of this and other policy initiatives that have progressed in the intervening period.

In July 2005, Government agreed to a draft Oceans Policy framework as a basis for further policy development, with consultation to occur in 2006. The Ministry of Fisheries is a major contributor to this whole-of-government project, which is led by the Ministry for the Environment.

Recreational fishery rights, governance and allocations

The popularity and demand for recreational fishing in New Zealand has resulted in conflict between recreational and commercial fishers when both sectors compete for access to the same limited resource in fully exploited fisheries. This is particularly an issue for inshore fisheries, both finfish and shellfish.

At the individual level, recreational fishers may fish for any species almost anywhere in the country. Some species have minimum size limits and many popular species have daily bag limits. However, these are not 'hard' constraints on the total catch because any member of the public can exercise the right to go fishing. If participation rates change and as the general population grows, fixed bag limits may result in changing total recreational take. If total recreational take expands and the TAC is set correctly, ensuring that the overall take remains within the TAC could result in the growth in recreational catch being accommodated by reducing the commercial share (the TACC). However, this undermines the value of commercial rights and the increased uncertainty about TACC levels reduces incentives for the industry to invest in conserving or adding value to the fishery.

This highlights the differing nature of the access right provided to recreational and commercial fishers. Recreational fishers are entitled, as of right, to go fishing in the sea (no permit is required) but this public access right can be, and is, subject to regulatory restrictions empowered by statute. For commercial fishers, the QMS has created statutory rights that have some of the characteristics of property – and have been recognised as such by the courts. This more specific definition of rights for commercial fishers provides a range of benefits to industry and government, including the great advantage in management of being able to more tightly constrain total catch. By contrast, the total catch taken by the recreational sector is not under such direct management control. This

creates particular difficulties for management when recreational catch is expanding in a stock that is already fully exploited.

Fisheries management outcomes, particularly maximising value, and credibility, can be enhanced considerably by increasing the levels of engagement by fisheries stakeholders. This is a key component of the Ministry's objectives-based fisheries management approach, including the development of fisheries plans. However, stakeholders in the non-commercial sector tend to lack the capacity, experience, and resources to participate effectively. Input from the recreational sector is currently heavily reliant on a very few individuals who are willing to expend the time to engage in Ministry processes, and tends to focus on high profile national issues. Further, only a small fraction of recreational fishers belong to recreational fishing organisations, which undermines the credibility of those organisations claiming to represent recreational interests at a national level.

The conflict inherent in the allocation of catch between sectors, and the dispersed nature of interests means that consensus on potential solutions is unlikely and controversy may be unavoidable if significant improvements are to be made. A combination of measures that addresses the needs and values of all sectors is likely to be required. Such a package could draw on a wide range of options including selective spatial separation, managing stocks for high biomass levels ('above Bmsy'), increasing use of advisory bodies, and increased certainty around allocation criteria including consideration of redress in appropriate circumstances (such as re-allocation from one sector to another after acknowledging the contribution of different sectors to the current state of the fishery). Such measures would build on the recent initiatives to improve consultation and would improve incentives for better interest representation. Options to address capacity deficiencies include supporting the development of better-resourced and organised groups through which views and input could be channelled.

To address these issues, the Ministry has a range of initiatives underway, including a policy project to explore options to increase the social, cultural and economic value of shared fisheries by improving intersectoral access and allocation, and providing administrative and policy support to the newly appointed Recreational Fishing Ministerial Advisory Committee and the regional recreational forums.

Jurisdiction of freshwater fisheries management

There are overlaps between the Fisheries and Conservation Acts in relation to freshwater fisheries. Cabinet noted the jurisdictional overlap in 1994 and agreed that a review would be carried out once the Fisheries Act review was complete.

The jurisdictional review has not yet been undertaken, and over time the problems have become more pressing. In particular, the overlap affects the Ministry's ability to give effect to the Crown's Treaty settlement obligations in three ways:

- It affects the Ministry's ability to recognise and provide for an iwi's freshwater fisheries interests as part of cultural redress settlements in individual Treaty settlements. The different roles of the agencies may also undermine the Crown's position as a whole, as agencies can be attempting to achieve different outcomes in the negotiation rather than the Crown negotiating as a single entity

- It undermines the Ministry's ability to give effect to the Fisheries Deed of Settlement through the customary fishing regulations. For example, if iwi use the customary regulations to set up a mātaihai reserve and make bylaws to manage a freshwater species, but the Freshwater Fisheries Regulations (administered by DoC) allows unrestricted take of that species, then the iwi's rights under the Fisheries Deed of settlement will be to no effect.
- The prohibition on commercial sale of some species under Conservation regulations undermines the duty of the Crown to give effect to the intent of the Deed of Settlement to provide access to all fisheries, including freshwater species, which could be taken commercially.

The jurisdictional overlap also creates a risk that contradictory management regimes for freshwater fisheries have been, or could be, imposed. The Ministry has obligations under the Fisheries Act to provide for sustainable utilisation of fisheries that are currently not being fully addressed. The overlap also hinders the Department of Conservation from meeting its obligations, because any management regime it imposes under the Conservation Act risks being undermined by the imposition of conflicting management regimes under the Fisheries Act.

Resolution of the jurisdictional overlap would allow the Ministry to meet its settlement obligations. Clarifying the management responsibilities would enable improved management of threats to both fisheries and the environment in freshwater ecosystems.

Governance of high seas fisheries

Improving institutional frameworks and arrangements for the governance and management of high seas fisheries is critical for the future of those fisheries. As a country with real fishing interests in high seas fisheries New Zealand has a direct obligation to cooperate with other countries to ensure that those fisheries are managed sustainably. Access to fisheries in the high seas is of direct importance to the New Zealand fishing industry as it moves to take advantage of fisheries opportunities beyond the New Zealand EEZ. Poor governance of high seas fisheries for highly migratory and straddling fish stocks also has the potential to directly impact on New Zealand's domestic fisheries for those stocks that occur within our EEZ.

The Ministry of Fisheries is directly involved in initiatives to improve governance arrangements for high seas fisheries at both a multilateral and regional level. This work involves participation in key international forums discussing oceans and fisheries issues such as the FAO and United Nations, in regional fora such as APEC, and within regional fisheries management organisations such as the Western and Central Pacific Fisheries Commission (WCPFC), the Commission for the Conservation of Southern Bluefin Tuna (CCSBT) and the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR).

The principal international legal instrument for the conservation and management of high seas fisheries is the 1995 United Nations Fish Stocks Agreement (UNFSA) – an implementing agreement under the UN Convention of the Law of the Seas (UNCLOS) covering highly migratory and straddling fish stocks. As a State Party to UNFSA, New Zealand is actively involved in negotiations to review the effectiveness of UNFSA. This work focuses on identifying barriers to the effective implementation of UNFSA as well as gaps in the governance framework, such as for discrete high seas stocks. An outcome of this process could be negotiations on new instruments or agreements to fill identified gaps in the legal framework.

Another platform for improving governance of high seas fisheries is through the New Zealand Minister of Fisheries' membership of the High Seas Task Force. At its first meeting in March 2005, Ministers directed the Secretariat of the Task Force to conduct an assessment of the performance of high seas Regional Fisheries Management Organisations (RFMOs). The Ministry of Fisheries is contributing to this work that focuses on the development of objective criteria for the assessment of RFMOs based on standards that are established by the relevant instruments of international fisheries law.

Closer to home, New Zealand is taking a lead role, along with Australia and Chile, in the establishment of a new RFMO for non-highly migratory fish stocks in the high seas parts of the South Pacific Ocean. The Ministry of Fisheries and MFAT are the lead New Zealand agencies in these negotiations. The new RFMO will fill a significant gap in the governance of high seas fisheries in our region. The first intergovernmental consultation will be held in Wellington in February 2006 with all countries with an interest in the relevant fisheries invited to attend. This initiative has the potential to set a new international standard for the regional governance of high seas fisheries, and the Ministry of Fisheries will be striving to ensure that best practice fisheries management and governance frameworks are incorporated into the new organisation.

Better environmental performance

New Zealand's aquatic environment is valuable for many reasons—not least for its role in the production of fisheries resources—and its long-term health is an important part of the Government's sustainable development goals. Fishing is one of a number of human activities that have the potential to affect parts of the aquatic environment significantly.

Historically, most fisheries management systems have started with a focus on individual target stocks. Good management of target fish stocks is fundamental to managing the broader environmental effects of fishing—but it is not enough. Worldwide, there is increasing recognition of the need to manage the effects of fishing on ecosystems. Society increasingly demands that fishing be “environmentally friendly”. For example there is strong demand in developed nations for “dolphin friendly” tuna, and a concerted call by some NGOs in recent years for fishing methods such as bottom trawling to be banned. This is both a threat and an opportunity for New Zealand fisheries depending on our response. Recent publications and conferences have highlighted the potential adverse effects of fishing practices and extensive work is being undertaken on methods to manage these effects.

Management of environmental effects typically address the effects of fishing on icon non-target species such as marine mammals and birds, and major fish by-catch species. Some have started to address the effects of fishing on benthic habitats. Only a few have developed as far as addressing indirect effects of fishing on marine ecosystems such as those occurring through the food chain.

New Zealand, like many other countries, has put in place legislation intended to ensure that fishing does not unreasonably affect the environment. The Fisheries Act establishes strong environmental obligations, including requirements to avoid, remedy or mitigate any adverse effects of fishing on the aquatic environment, meet the foreseeable needs of future generations, and be cautious when information is uncertain, unreliable or inadequate.

A number of initiatives to address specific environmental issues related to fishing have been put in place, including closed areas, fishing method restrictions, observer programmes, marine mammal

by-catch limits, and requirements to use by-catch mitigation devices. However, to date, these initiatives have been largely reactive and lack overall coordination.

An intention to make substantial progress in the area of managing environmental effects was signalled in the Ministry of Fisheries' 1998–2003 Strategic Plan, and confirmed in the Ministry's 2005/08 Statement of Intent. The Ministry has a number of initiatives under way designed to improve environmental performance.

The *Strategy for Managing the Environmental Effects of Fishing*, released in August 2005, sets out the approach by which the Ministry will manage environmental effects. The primary purpose of the Strategy is to provide policies through which the Ministry can meet its environmental obligations in the Fisheries Act in an efficient and consistent manner. The Strategy is also designed to provide for coordination of Fisheries Act environmental obligations with environmental obligations under other relevant legislation. Effective implementation of Fisheries Act environmental obligations will enable New Zealand to meet its international obligations to implement an ecosystem approach to fisheries.

The Ministry of Fisheries also operates NABIS (National Aquatic Biodiversity Information System) which is a web-based geographical information system used to describe the location of key marine environmental resources. Information held in NABIS is used for a variety of purposes including fisheries/biodiversity planning, monitoring and policy development. The system currently contains data layers describing the distribution of 216 fish and invertebrate species, 110 seabird species, as well as information on marine mammal breeding colonies, fisheries management areas, and other contextual information such as bathymetry.

Other relevant initiatives recently implemented or under development include:

- the Marine Protected Area Policy and Implementation Plan
- the National Plan of Action to reduce the incidental catch of seabirds in New Zealand Fisheries
- National Plan of Action for the conservation and management of sharks
- framework to manage effects of fishing on benthic habitats
- a range of research projects investigating the effects of fishing on the aquatic environment
- Oceans 20/20 inter-agency ocean exploration initiative involving ecological zone mapping.

Marine protected areas and marine reserves

The New Zealand Biodiversity Strategy, adopted in 2000, identified a range of priority actions to protect and restore New Zealand's indigenous biodiversity. In relation to marine biodiversity, the priority actions include development and implementation of a strategy to establish a network of areas to protect marine biodiversity, and a review of the Marine Reserves Act to better provide for protection of biodiversity.

Marine protected areas policy

The Ministry and the Department of Conservation have developed a Marine Protected Areas (MPA) Policy and Implementation Plan, following public consultation early in 2005. The proposed Policy is a new and integrated approach to marine protection that will promote the systematic development of a comprehensive and representative MPA network to protect marine biodiversity. The Policy seeks to establish MPAs using a range of existing tools such as marine reserves,

Fisheries Act measures, and Resource Management Act tools. It is envisaged that the improved processes associated with the implementation of the Policy should help reduce some of the opposition that is currently associated with proposals for marine reserves and other MPAs.

The Policy sets out the Government's MPA objectives; outlines how government agencies, tangata whenua and interested parties can work together to achieve those objectives; and includes principles to guide the design of the MPA network and the MPA planning processes. Choice of MPA sites will be underpinned by a commitment to minimise the impact of new MPAs on existing users of the marine environment and Treaty settlement obligations.

Under the Policy, planning for MPAs will be science-based, using a consistent approach to the classification of ecosystems and habitats. The Policy will also establish a protection standard against which potential MPAs will be assessed to see whether they provide a sufficient standard of protection to be included in the network.

The Policy proposes a four-stage approach to implementation:

- Stage 1: Development of the approach to classification, formulation of a standard of protection, and mapping of existing protected areas and/or mechanisms. Scientific workshops will be used to assist with the process, and the results will be put on the website for comment
- Stage 2: Development of the MPA inventory, identification of gaps in the MPA network, and prioritisation of new MPAs
- Stage 3: Establishment of new MPAs to meet gaps in the network. This will be undertaken at a regional level and a national process will be followed for offshore MPAs
- Stage 4: Evaluation and monitoring.

Over the next year, some regional MPA planning will continue for the Hauraki Gulf and West Coast of the South Island. The intention is that this work be done in a manner consistent with the Policy and not proceed to formal applications until Stages 2 and 3 have been completed, but this will require careful management of these processes.

The Policy has not yet been approved for release, however Stage 1 implementation work to develop the approach to classification and the protection standard is underway. Decisions are still to be made on implementation, which could have substantial resourcing implications.

Marine Reserves Bill

The Marine Reserves Act 1971, administered by the Department of Conservation, provides for marine reserves to be established for the purpose of scientific study, within the territorial sea.

In June 2002 a Marine Reserves Bill was referred to the Local Government and Environment Select Committee. Key changes from the Marine Reserves Act 1971 are:

- a revised purpose focussing more on biodiversity protection
- ability to establish marine reserves in the Exclusive Economic Zone
- removal of discretion to allow fishing in marine reserves
- an expanded undue adverse effects test which the Minister of Conservation applies in any decision to proceed with a reserve proposal
- a requirement that the Minister of Conservation consult the Minister of Fisheries and other Ministers before approving the establishment of a reserve (replacing the current requirement for Ministerial concurrence)
- significant amendment to the process for establishing reserves.

The Marine Reserves Bill is yet to be reported back to Parliament. It has been the subject of significant opposition from tangata whenua and fisheries stakeholders. At the request of the Select Committee, the Ministry and Te Puni Kokiri have been assisting the Department of Conservation in providing advice on the Bill. While agencies are supportive of improved measures to protect marine biodiversity, there have been significant tensions amongst them about the best way to achieve the Government's biodiversity goals and the resulting nature of advice being provided to the Select Committee.

In January 2005 the Ministry responded to a request from the Minister of Fisheries for advice on amendments to facilitate progress on the Bill and still achieve the Government's biodiversity objectives. Possible measures suggested included making sure the purpose of the Bill remains focussed on biodiversity protection, and prioritising marine reserves based on the degree of threat or risk to the habitat or ecosystem in question.

Another difficulty is that the Bill requires marine reserves to be used to protect biodiversity, even though in some cases biodiversity protection could be achieved through management interventions that would impose less cost. The Ministry suggested amending the Bill so that for representative/typical communities and ecosystems consideration be given to whether the biodiversity could be protected through a management tool(s) that allows some concurrent extractive (fishing) use (i.e. using tools other than marine reserves, like fisheries method restrictions and controls under the Resource Management Act). Use of a range of tools to protect marine biodiversity is consistent with the proposed MPA Policy.

The Ministry also suggested some further amendments to provide better protection of customary fishing rights recognised through the Fisheries Deed of Settlement and thereby reduce the risk of legal challenge and breach of Treaty settlement.

Improved stakeholder relationships and participation

A large part of the fisheries management process involves influencing the behaviour of stakeholders in ways that can realise the full potential of fisheries resources. The purpose of fisheries management therefore is to establish incentives for fishers that will operate to co-ordinate or guide their activities in ways that will achieve desirable long-term results. Where these incentives operate against the immediate interest of fishers it is important that they have enough

confidence in the integrity of the decision process to accept that such constraints are appropriate to ensure overall management objectives are achieved.

An important contributor to credibility is effective engagement with tangata whenua, stakeholders, other government organisations, and the public in management of fisheries. It is the Ministry's view that stakeholders do have an important role to play in many areas of management such as providing input to decision-making frameworks and setting standards. There are a number of reasons for this. Stakeholder involvement in fisheries management decision-making processes increases the chance that the decision-maker has access to all relevant information. It is also assumed that stakeholders will be more likely to accept decisions that involve risk to them (risk that they may be disadvantaged in relation to others) if they are involved in the decision-making process. Involvement also increases the incentive to support decisions. This results in improved, and therefore less costly, compliance. Perhaps most importantly, stakeholder involvement in fisheries management increases their understanding of the process and increases their willingness to commit to actions and strategies that will deliver long-term benefits. The involvement that stakeholders have in the Ministry's stock assessment (January-May) and research planning (July-December) programme provides a good example of this.

The Ministry has taken steps to improve stakeholder relationships and participation. In order to increase engagement with tangata whenua it is establishing and supporting regional forums of iwi and hapu to provide for more effective input and participation into Ministry processes. The Ministry is also supporting the work of Pou Hononga (relationship management facilitators) and is expanding its involvement in capacity building, and iwi and hapu relationship facilitation.

Steps have also been taken to improve engagement with other stakeholder groups. These include:

- establishing and supporting a National Recreational Fisheries Ministerial Advisory Committee and regional forums to engage with recreational fishers
- meeting regularly with environmental Non-Governmental Organisations (NGOs)
- meeting regularly with the NZ Seafood Industry Council (SeaFIC) and Te Ohu Kai Moana Trustee Limited (TOKMTL) at a policy level
- supporting the formation of representative stakeholder groups and their capacity to engage effectively in fisheries management.

The Ministry will also continue to improve multi-sector engagement by:

- moving to rationalise existing regional stakeholder forums (e.g. Fisheries Liaison Committees)
- developing a strategy to improve ongoing relationships with fisheries stakeholders, including consultation
- enhancing the involvement of fisheries stakeholders and tangata whenua in processes to develop or review fisheries policies, management plans, and associated legal and compliance regimes
- enhancing the involvement of fisheries stakeholders in the identification and resolution of compliance problems.

Fisheries plans

The Ministry is planning to significantly increase the use of fisheries plans as a fisheries management tool in the short to medium term. As outlined in the Statement of Intent, the Ministry is committed to working with stakeholders to better define what is required from fisheries (objectives), and to clearly link the management interventions and services to those objectives. Fisheries plans are seen as an important mechanism to improve stakeholder involvement in – and ownership of – fisheries management in New Zealand.

The Ministry has committed to develop 2 to 3 fisheries plans in 2005/06 to trial this new approach. In the development of a fisheries plan, the Ministry will work with tangata whenua and stakeholders to build consensus on objectives, develop a risk assessment to evaluate management strategies, and then specify the services and management measures that will be applied to the fisheries plan. A fisheries plan will bring together the harvest plan, monitoring, research, enforcement, and other elements of fisheries management; show the links between these elements and will allow the Ministry to better prioritise its limited resources.

Fisheries Policy is taking the lead in the development of the framework to guide these fisheries plans. Then, Fisheries Operations will lead the development of the trial fisheries plans. Decisions are still to be finalised to determine which fisheries plans should be developed as trials and the management unit on which fisheries plans should be based. Once the 2 or 3 options for plans have been identified, regional Fisheries Operations staff will begin discussions with stakeholder groups to define the objectives. The risk assessment methodology will then be tailored to assess risk against the specific objectives for the plan. The Ministry expects that plans will lead to broader consensus between sector groups; ultimately the Minister will need to approve the plan and therefore may be required to balance and make decisions on irreconcilable demands. The finalised fisheries plan will then form the basis of advice to the Minister on management decisions, and guide delivery of Ministry services, for the relevant stocks or areas. Once approved, the Fisheries Act requires the Minister to take it into account in future management decisions.

Fisheries plans will in most cases be facilitated by government, and developed in collaboration with relevant stakeholders. However, development of fisheries plans may also be led by tangata whenua or stakeholder groups, although development of such plans will need to be primarily resourced by tangata whenua or stakeholder interests themselves. Fisheries plans developed by stakeholders independent of government allow stakeholders to act collectively to assume greater responsibility for managing fisheries. Fisheries Operations will continue to evaluate any fisheries plans submitted by stakeholders for Ministerial approval under s.11A of the Fisheries Act. The evaluation process has been established, and it will ensure that the proposed objectives and measures are consistent with Ministry obligations.

The processes of developing and evaluating fisheries plans will run alongside the ongoing work of managing fisheries; the biannual sustainability rounds will continue to function, to ensure that key sustainability and utilisation issues for particular stocks are appropriately managed. In addition to the 2-3 plans used as trial plans, work will continue on completing a small number of plans already under way.

Fishing industry and aquaculture development

The New Zealand fishing industry is a major export earner for the New Zealand economy. In 2004, just under 340,000 tonnes of seafood products left the country, worth a total \$NZ 1.3 billion to the

New Zealand economy. This makes the fishing industry New Zealand's fifth largest export earner behind dairy, meat, horticulture, and forestry. Export earnings provide the New Zealand fishing industry with approximately 90% of its total revenue.

The industry is currently experiencing hard times as it continues to operate in an increasingly difficult economic environment. Key economic and environmental factors affecting the New Zealand industry have been the high value of the New Zealand dollar, record fuel prices, and major reductions in the hoki catch limits. The combination of these, and other, factors have put financial pressure on the New Zealand fishing industry. This has led to some business contraction, including some fishing vessels being tied up or sold, and consequent job losses.

The aquaculture component of the fishing industry is also facing financial pressure due to the high New Zealand dollar. However, there are some more positive signs for the aquaculture sector. The aquaculture industry was subject to a moratorium on applications for new marine farming from November 2001 until the end of 2004. The moratorium was put in place to allow for the aquaculture reforms to be progressed and to allow councils and the Ministry to try and deal with the backlog of existing marine farm applications. New aquaculture legislation is now in place, the moratorium has been lifted, and the aquaculture industry faces a much more certain future. The remaining task is for local government, central government, and industry to work together to ensure that regions adequately plan for aquaculture development in the future.

The Ministry is working in a number of different areas to assist the fishing industry, both aquaculture and wild harvest fisheries, to maximise their potential for growth. These include:

- The Food and Beverage Taskforce – The Taskforce comprises leaders from the food and beverage sector and senior government representatives. The Taskforce has been established to assess priorities for development and work out where government can help clear away unnecessary barriers to growth. The intent is also for the Taskforce to forge partnerships within the Food and Beverage sector itself, as well as between industry and government.
- Seafood Workforce Strategy – This initiative is being led by the Department of Labour. A working group has been established that includes senior government and industry representatives to consider a long-term strategy to deal with skill and labour issues in the seafood industry.
- Fisheries Plans – The Ministry is planning to use fisheries plans as a key fisheries management tool in the short to medium term. Fisheries plans are seen as an important mechanism to better target and coordinate management measures on a fishery-specific basis, and to improve stakeholder involvement in – and commitment to – fisheries management in New Zealand. Fisheries plans will provide an opportunity for stakeholders to maximise value from the fishery, including the potential for cost reduction in management.
- Aquaculture Reforms Implementation Project – This joint project, initiated by central government, is designed to assist local authorities to take up their planning and management role for aquaculture. The project team includes central government agencies (key agencies are Environment (lead), Fisheries, and Conservation), local government representatives and industry representation. Industry involvement in the project ensures a clearer focus on implementation issues that are of importance to the industry itself as well as providing for timely exchange of information between government and industry on both government initiatives and industry developments in aquaculture.
- Aquaculture Sector Strategy and Action Agenda - This is an industry-led initiative that is being supported by central government. The Ministry of Fisheries hosted an aquaculture forum in Wellington in April 2005 to support the development of an aquaculture sector strategy. The

aquaculture industry has been successful in obtaining funding through the Ministry of Economic Development to support the development of this strategy. The Ministry of Fisheries will be continuing to support this initiative as appropriate through 05/06.

Compliance targeting of poaching and black market activities

In the Budget of 2005 the Ministry of Fisheries was allocated additional funding to target poaching and black market activities particularly in the paua and rock lobster fisheries. Analysis has shown that poaching and black market activities can severely undermine fisheries sustainability, the property rights of legitimate commercial fishers and impact on customary and recreational fishers. In some areas paua stocks are under severe threat from poachers with organised crime rings being increasingly involved.

Fisheries Compliance will increase its analytical and investigative capacity and will implement a number of initiatives. These include the development of a special tactics team able to undertake covert operations, train and work with other agencies such as Customs and Aviation Security staff at airports and ports and trial a detector dog programme with Ministry of Agriculture and Forestry. A multi-agency approach will target organised crime to apprehend offenders and stem the illegal seafood trade. Deterrent penalties will be sought from the courts for those apprehended and successfully prosecuted.

Compliance education for recreational fishers

Fisheries Compliance has identified certain segments of the population that have higher levels of non-compliance with recreational fishing rules than desirable. Within these populations it appears that ignorance of the rules is a major contributor with social and cultural factors also playing a part.

A comprehensive initiative targeting at risk populations is being undertaken to educate and raise awareness of fishing rules, the reasons for these rules and the need for New Zealand to manage fisheries in a sustainable manner. The initiative includes school talks, community meetings, brochures describing fishing rules in various languages, more signage on at risk beaches, and more extensive use of the Honorary Fishery Officer network.

‘Project Protector’

Since the introduction of the QMS, Fisheries Compliance has evolved into a land-based agency with very limited ‘at sea’ capability. This has left a significant gap and exposed a range of risks to the integrity of New Zealand’s EEZ and fisheries management frameworks. Over the next three years Project Protector will deliver a range of inshore and offshore patrol vessels and a key focus of the vessels will be fisheries surveillance, inspection and enforcement. This will significantly change the face of Fisheries Compliance. Planning is well advanced to meet this challenge and a range of initiatives are contemplated to ensure Fisheries Compliance staff are prepared when the vessels start arriving in October next year. Initiatives under consideration include the development of an offshore patrol group; increased intelligence and analytical capability; improved systems and processes for maritime planning and the development of new training programmes. Additional resourcing is likely to be a key factor in the Ministry being able to deliver on these initiatives.

Status of hoki stocks

Hoki makes up New Zealand's largest QMS stock. The hoki fishery has undergone large cuts in TACC from 250 000 t in the 2000/01 fishing year to 100 000 t in the current fishing year. Biomass in the western stock is now estimated to be about 20% of virgin biomass and in the eastern stock it is estimated to be about 40%. There is considerable uncertainty around these estimates, particularly for the eastern stock.

The western stock experienced an extended period of poor recruitment from 1995 to 2001. The cause of poor recruitment is not certain. It may be climate driven, but there may be other factors at play. There is some evidence of improvement in the last two years but it will be some time before these young fish are fully recruited into the fishery. Recent recruitment in the eastern stock is estimated to be close to the long-term average.

In 2001 the hoki fishery achieved Marine Stewardship Council certification for responsible fisheries management. The Marine Stewardship Council is an independent, global, non-profit organisation based in London. Despite the difficulties faced by the industry, they are currently undergoing the extensive process of Marine Stewardship Council reassessment. The fishery has to demonstrate its commitment not only to sustainable management, but also to addressing the environmental effects of fishing.

Status of deepwater fisheries

The deepwater fisheries are becoming increasingly contentious for several reasons.

First, the "fishing-down" phase has ended, or even been overshoot, for most stocks. Most deepwater fisheries began in earnest in the early 1980s, and at that time, a decision was made to fish them down to the average biomass associated with maximum sustainable yield (Bmsy) at a reasonably rapid rate, and then to reduce fishing pressure and maintain biomass at the average Bmsy indefinitely.

For deepwater species, estimates of Bmsy are usually in the range of 25-30% of the unfished biomass. For some stocks, the targets have been overshoot - substantially so for Challenger orange roughy, which was estimated to be at about 3% of the unfished level when it was closed in 2000, and for Puysegur orange roughy, estimated to be at about 7% of the unfished level when it was closed in 1998. Some environmental NGOs claim that successive "fishing down" of deepwater stocks represents an example of "serial depletion" of natural resources, rather than recognising it as a deliberate fisheries management strategy.

Secondly, to date there has been inadequate research to accurately determine the long-term sustainable yield from deepwater stocks. There is therefore, still debate about the appropriate levels at which the stocks should be fished.

Thirdly, deepwater trawling tends to disturb the bottom fauna, including several species of extremely long-lived, slow growing corals. As a result, there are increasing requests to close areas completely to this gear type.

MINISTERIAL ACTIONS AND ISSUES TO DECEMBER 2005

Recent developments since the initial version of this document was prepared before the general election have been highlighted for your information.

Policy issues

International

CCSBT

The Commission for the Conservation of Southern Bluefin Tuna (CCSBT) manages southern bluefin tuna (SBT) in the South Pacific and Indian oceans. New Zealand has been a member of CCSBT since it was established in 1994. Despite significant difficulties in the late 1990s the Commission has now returned to a reasonable level of effectiveness and functionality (including agreement in 2003 and 2004 on a TAC and national allocations for the first time since 1997). The Commission is likely to face some considerable challenges in the year ahead. Recent advice from the Scientific Committee has further highlighted the seriously depleted status of the stock and the urgent need for a significant reduction to the TAC in the near future. It is also feared that illegal, unreported and unregulated (IUU) fishing continues to impact on the stock. Recent work on a management procedure to provide a new scientific process for recommending TACs has further highlighted concerns about the status of the stock. The management procedure is a major area of work for the Commission with a decision on a new procedure is expected at CCSBT12.

Significantly for New Zealand, the Commission has agreed at its last two meetings that there is an outstanding issue in respect of adjustment to national allocations as set out in an understanding reached at the first CCSBT meeting. New Zealand has been working hard to secure agreement on how this issue can be accommodated within the decision rules for allocating the TAC, particularly within an environment of declining TACs. The CCSBT is meeting for the twelfth time in October 2005 in Taiwan.

Actions:

- CCSBT 12 is taking place as this briefing document is being prepared. There may be a requirement for Ministerial decisions arising from outcomes of CCSBT 12.

International Fisheries Strategy

Recent changes in international fisheries law, the continued expansion of New Zealand fishing interests beyond the Exclusive Economic Zone (EEZ) and the increased pressure on international fish stocks and ecosystems, including through illegal, unreported and unregulated fishing (IUU fishing), has created a new and challenging environment for international fisheries management. Transparent frameworks and policies are needed to manage New Zealand's international fishing interests. The Ministry is developing an initial paper that outlines proposed components of an international fisheries strategy for New Zealand. Guidance on this paper will be sought from the Minister. We will then consult closely with other departments, in particular the Ministry of Foreign Affairs and Trade, in the development of a draft strategy for the Minister's consideration before initiating a consultation process with stakeholders.

Actions:

- before November 2005, consider a paper on key components of an international fisheries strategy for New Zealand

- before March 2006 approve, for consultation with stakeholders, a draft international fisheries strategy for New Zealand.

CCAMLR and Antarctic Fishing

The Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR) has the aim of conservation, including rational use, of Antarctic marine living resources. New Zealand is party to CCAMLR. New Zealand vessels have undertaken exploratory fishing for toothfish in the Ross Sea area of Antarctic for the past eight seasons. In 2004/05, the Ross Sea toothfish fishery is estimated to have been worth NZ\$20 million to New Zealand in export earnings. Applications to fish in CCAMLR waters in the 2005/06 season have been received from three companies in respect of five vessels. In July, New Zealand submitted its notification to CCAMLR on fishing and research activities in the 2005/06 season, seeking access to five CCAMLR fisheries for New Zealand-flagged vessels. In May 2002, Cabinet agreed on a framework for New Zealand participation in CCAMLR fisheries. In October 2005 officials will report back to Cabinet on progress against the 2002 Cabinet decision and will request further refinement of that decision.

In October 2005, Ministry (and MFAT) officials will attend the annual CCAMLR meeting during which conservation and management measures will be agreed on for the following year. The Minister of Fisheries will be required to approve New Zealand's negotiating position for that meeting. In addition, the Minister of Fisheries will be required to make permitting decisions under the Antarctic Marine Living Resources Act 1981 in late November to determine which New Zealand vessels will fish in Antarctica during the 2005/06 season.

Actions:

- in **October 2005** approve (in conjunction with the Minister of Foreign Affairs and Trade) New Zealand's negotiating position for the annual Commission meeting of CCAMLR
- in October 2005 consider a paper reporting to Cabinet on progress made against the 2002 Ross Sea and Southern Ocean Review Cabinet decisions
- in October 2005 approve a paper requesting Cabinet decision on future New Zealand fishing activities and marine protection in the Ross Sea
- by November 2005 decide on Antarctic Marine Living Resources Act fishing permits.

WCPFC and associated meetings

The Western and Central Pacific Fisheries Convention (WCPFC) entered into force on 19 June 2004 and the inaugural meeting of the Commission was held from 9-10 December 2004 at Pohnpei, Federated States of Micronesia (FSM), where the Commission's headquarters are to be located. With the Convention in force and the Commission established, work is now beginning in earnest on the consideration of management options for the region's valuable tuna resources. Delays in the appointment of an Executive Director, due to the preferred candidate declining to take up the job, should be resolved prior to December with the second preferred candidate having now agreed to take up the position, enabling Secretariat arrangements to be put in place.

The first proper meeting of the Scientific Committee of the Western and Central Pacific Fisheries Commission was held in Noumea from 8 – 18 August 2005. At its first meeting, the Commission requested that specific scientific analyses be undertaken by the Scientific Committee to inform its decisions on management options. Ministry officials actively participated in this meeting, which

also conducted or updated stock assessments of the four main tuna species (skipjack, South Pacific albacore, bigeye and yellowfin).

The Commission has resolved that it will adopt conservation and management measures necessary to address any sustainability concerns at its second meeting to be held in Pohnpei, FSM in December 2005. New Zealand will be seeking to play an influential role, working with Pacific Island countries and within the wider Commission, to promote a strategic approach to the management of these fisheries to ensure that resource sustainability and economic and social objectives are realised to the greatest extent possible.

Action:

- approve New Zealand positions prior to the December 2005 Commission meeting.

New Zealand fisheries

Allocation policy

Section 21 of the Fisheries Act 1996 sets out the steps required to be taken by the Minister of Fisheries in setting or adjusting the Total Allowable Commercial Catch (TACC) for a QMS stock. The section instructs that the Minister must have regard for the TAC and shall allow for non-commercial fishing interests and all other mortality caused by fishing. This broad discretion can, when exercised in fisheries that are shared significantly between commercial and recreational interests, result in dissatisfaction on the part of both parties. The current provisions allow the Minister scope to vary the relative shares allocated to commercial and recreational interests as circumstance or available information changes. However, the uncertainty faced by industry in respect of their ongoing quota rights is exacerbated by this discretion, affecting quota values and incentives to invest in productivity improvements. Similarly, the non-commercial sector has serious concerns in some circumstances about how their interests are recognised in allocation decisions. In order to avoid undermining the incentives that individuals have to protect and enhance the resource and its value, we need to develop a fair framework that can provide for reallocation from commercial to non-commercial fisheries, or vice versa.

The Ministry has recently initiated a policy project to review the current provisions relating to intersectoral access and allocation and explore reform options to provide the Minister and stakeholders with a more satisfactory framework for intersectoral allocation. This work will encompass a review of section 21. The policy project is planned for completion by September 2006, with enactment of any legislative reforms in the following 12 months.

Action:

- in October 2005, consider a brief on proposed process and scope for reform.

Recreational Fishing Ministerial Advisory Committee

This is a new committee established in July 2005. The committee's purpose is to provide advice directly to the Minister of Fisheries on strategic matters facing the recreational fishing sector. The first meeting of the committee was held in August 2005 and it is expected to meet up to four times per year. The Committee is a non-statutory body and will not be used as part of any statutory consultation or decision-making processes. The Chief Executive of the Ministry of Fisheries or the Minister will chair the committee's meetings. The Committee members shall conclude their role at the discretion of the Minister.

It is intended that the establishment of a Recreational Fishing Ministerial Advisory Committee will build important links with the recreational fishing sector. It is estimated that up to one in every four New Zealanders go recreational fishing every year, but recreational fishers do not participate very effectively in fisheries management. The focus of the committee's discussions will be to improve outcomes for the recreational fishing sector, such as allocation, examining options to improve information generation and management, and capacity building. The establishment and operation of the committee will improve the government's links with this sector and, longer term, assist with the building of the capacity and capability of the sector to participate effectively in fisheries management.

The committee has seven members who have been appointed on the basis of expert knowledge of recreational fishing and the issues affecting the recreational fishing sector (rather than as representatives of particular recreational fishing interests). Members of the committee are listed in Annex 3. The committee's appointment is at the discretion of the Minister of Fisheries, so a new Minister can confirm continuation of the committee or otherwise.

Action:

- in October 2005, consider whether to continue with the Committee and confirm timing of, and agenda for, the next meeting, which is tentatively planned for November 2005.

Cost Recovery - Review of the Framework

Cost recovery is the mechanism by which the public costs of managing fisheries are reduced, and is a key element of the incentive structure that underpins New Zealand fisheries management. Under the Fisheries Act, the Crown recovers a proportion of its total costs from the commercial fishing industry. The cost recovery principles and rules together determine whether and to what extent the Ministry costs can be recovered from the commercial industry. The principles set out beneficiaries-pays and risk-creator pays approaches to guide the recovery of departmental (Ministry and Department of Conservation) costs. The principles are established in statute (section 262) and describe the approach to cost recovery; the cost recovery rules interpret and give effect to these principles; these give rise to levies, which specify costs to be recovered from identified groups. Cost recovery rules are altered as the characteristics of government-provided services change. The rules were last changed in 2001, while levies are issued annually.

The Statement of Intent notes that a review of the cost recovery framework will proceed in 2005/06. The scope of such a review has not been determined. It could mean a 'principled review' that could comprehensively overhaul the rules or alternatively, a more modest scope could be adopted, to modify those rules that most require amendment. Industry has a general expectation that a joint Cost Recovery Working Group would be formed to undertake a comprehensive, principled review of the cost recovery rules.

Any review of cost recovery is contentious and changes to the regulations and/or the Act must go through both internal and external consultation as well as through Cabinet. The Ministry is currently analysing the various options for a cost recovery review, and will provide you with advice on its possible scope.

Action:

- in October 2005, consider advice on the scope of the review.

Deemed value entitlements

A joint Crown-Industry working group (JWG) was established to consider the proposition that quota rights holders should be entitled to a proportion of revenues paid as deemed values.

The findings of the JWG were reported to the Minister of Fisheries in May 2005. The report presents recommendations on a broader set of issues than just the return of revenues, representing the JWG's agreement that other problems with the deemed value system required attention. The Steering Group for the JWG has sought to meet with the Minister to discuss the report. If approved, the recommendations will be progressed through a process of wider consultation with fisheries stakeholders.

The JWG was mandated by the Minister, and arose from the considerations of an earlier Joint Crown and Industry Working Group on Under and Over Recovery of Cost Recovery Levies, which reported to the Minister of Fisheries in February 2003.

Action:

- determine whether to progress the recommendations of the joint working group.

Freshwater fisheries jurisdiction

The Ministry is intending to examine the options for reviewing the jurisdictional boundaries for freshwater fisheries (see earlier section in this document). Work on this issue will require the involvement of other agencies, in particular the Department of Conservation and the New Zealand Fish and Game Council. Potentially input from other agencies, for example Biosecurity NZ, will also be required.

The Ministry (jointly with DoC) will be providing you and the Minister of Conservation, with a brief on the proposed process for the review to be undertaken. Following approval of the process, the outcomes and principles, management requirements and options for role definitions would be developed.

Action:

- by November 2005 consider advice on process for a review of the jurisdiction for freshwater fisheries management.

Establishing fisheries outcomes

As part of the "Managing for Outcomes" approach within the Government sector, the Ministry is increasing its focus on establishing, and re-enforcing, the links between the outputs it produces, and the achievement of Government outcomes. The 2005/08 Statement of Intent outlines an overall fishery outcome, and four contributing outcomes to provide an indication of the long-term societal goals that fisheries resources are being managed towards. The Statement of Intent provides some detail on the links between Ministry services and activities and these goals, but there is scope for improvement.

The Ministry has already signalled its intention to use objective-based management as the basis for determining appropriate fisheries management interventions, and to use fisheries plans as the principle method of establishing objectives. This approach needs to be supported by an outcomes framework that enables the consistent and principled linking of management objectives, via

standards, to fisheries outcomes. Such a framework, and the intervention logic that shows why management measures have been adopted, will enable stakeholders to both understand more clearly, and better participate in, the management decisions which affect their interests. Stakeholder acceptance of this framework, and the processes used to set, and modify, outcomes and standards, is seen as very important. Accordingly the Ministry intends to undertake a Project, commencing later this year, to develop specific fisheries outcomes, and to fully develop an outcomes framework to better support management planning processes.

It is intended to gain your approval of these outcomes and the framework, both prior to release for public consultation, and in their final form.

Action:

- in October 2005, consider a brief to confirm nature and extent of project.

Oceans Policy

In July 2005, Cabinet directed officials to report by 15 December 2005 on a draft discussion document setting out the options for the Oceans Policy (see discussion on Oceans Policy earlier in this document). Work is progressing on defining requirements for the institutions, processes and mechanisms to give effect to the draft Oceans Policy framework, and on specific issues associated with Oceans Policy (this is a key aspect of the cabinet directive). Ministry staff have been particularly involved with work on the fundamental issue of how to reconcile competing uses for the oceans.

The approach to be taken to the development of the Oceans Policy is somewhat unclear and needs to be clarified before a Cabinet paper is prepared.

Action:

- in November 2005, consider advice from officials on timing and approach to the development of the Oceans Policy.

Operational issues

Kahawai legal challenge

The Recreational Fishing Council and Big Game Fishing Council are challenging the Minister's decisions setting the Total Allowable Catch and Total Allowable Commercial Catch for kahawai stocks for the 2004/05 fishing year. They allege a large number of factual and legal errors, but in essence they say that commercial fishers are being allowed to catch too much and that a reduction in the TACC will allow non-commercial fishers to catch more and bigger fish.

It is the initial assessment of the Crown Law Office and the Ministry legal section that the prospects of success for the Ministry appear good, especially in light of recent case law confirming that the Minister has a discretion as to the relative proportions of the Total Allowable Catch that should be allocated to commercial and non-commercial sectors each year, primarily limited by the sustainable utilisation purpose of the Fisheries Act and general principles of reasonableness. Findings from this case may provide some guidance for future allocation decisions. The commercial sector are wanting to be heard in the case so the Court will get a first hand clear view of the competing rights and interests that the Ministry deals with day to day. There has been no urgency requested at this stage so the hearing will take place some time after 1 May 2006 in Auckland. The Ministry's statement of defence is due 26 September 2005.

The Minister's decisions on catch limits and allowances for kahawai for the 2005-06 fishing year may also become subject to the litigation at hand.

Action

- consider Ministry briefing papers on the matter as they arise.

Review of recreational fishing regulations

National and regional fisheries regulations govern the taking of fish and aquatic life by recreational fishers. Recreational fishing representatives have for some time expressed frustration with some aspects of these regulations. As a result fishers were invited to identify the areas of greatest concern to them, and a commitment was given to review their top ten concerns over a three-year period. Responses to this invitation were limited, however the New Zealand Recreational Fishing Council identified a series of issues that it felt needed to be reviewed as a first step. The Minister requested the Ministry to undertake a review of these first-tier issues. There may be other areas of concern to recreational fishers in addition to those put forward by NZRFC. The Ministry anticipates that further issues will be considered in subsequent years.

Following internal and external workshops to identify specific problems associated with the issues raised, the Ministry reviewed the following rules and regulations:

- the primary taker rule
- measuring scallops on the seafloor
- methods of catching rock lobster
- the Coromandel scallop amateur bag limit
- taking and possession of paua and mussels with underwater breathing apparatus
- shucking scallops at sea.

A paper outlining the Ministry's initial position on each of these regulations was released for public consultation in June. Final advice was provided to the Minister in September and decisions made regarding any regulatory changes required for the 1 October 2005 fishing year.

Actions:

- by November 2005, decide whether or not to initiate a review of the next set of regulatory issues identified by recreational fishers.

Mātaimai reserves

The Fisheries (Kaimoana Customary Fishing) Regulations 1998 and the Fisheries (South Island Customary Fishing) Regulations 1999 provide for the establishment of mātaimai reserves.

On 11 August 2005 two mātaimai reserves in the Napier area (Moremore), the Raukokore mātaimai reserve (East Cape) and the Matura River mātaimai reserve were gazetted. Two other mātaimai reserves have been established on the South Island (Rapaki and Koukourarata) and another mātaimai reserve in Paterson Inlet was decided on 4 June 2004 but is yet to be gazetted.

The Ministry has eight current applications for mātaimitai reserves at various stages in the process: Whanau-a-Hunaara (East Cape); Kairakau (South Hawke Bay); D'Urville Island (Marlborough); Moeraki (between Dunedin and Oamaru); Tamaitemioka Titi Moutere (southwest of Stewart Island); Waitutu (south coast of South Island); Nugget Point/Campbell Point (south Otago); and Waikawa/Tumu Toka (Curio Bay/Porpoise Bay in the Catlins) and **Tory Channel (Queen Charlotte Sounds)**.

Actions:

- in November 2005, consider advice on the Tamaitemioka Titi Moutere application
- by December 2005, consider advice on the Nugget Point/Campbell Point and the Waikawa/Tumu Toka mātaimitai reserve applications
- by June 2006, consider advice on the Whanau-a-Hunaara, Waitutu, Moeraki and Tory Channel mātaimitai reserve applications.

Taiapure local-fisheries

The customary management framework under the Fisheries Act 1996 provides for the establishment of taiapure local-fisheries. Currently there are eight taiapure in place at Whakapuaka (Delaware Bay), Kawhia Aotea, East Otago, Waikare Inlet, Porangahau, Maketu, Palliser Bay and Akaroa Harbour (Banks Peninsula).

The Ministry has two outstanding taiapure applications for Te Puna (Mangonui) Inlet, and Manukau Harbour. The applicants for Te Puna Inlet have placed the application on hold, and no action is required. The Manukau Harbour application process is complete. **The decision to establish the Akaroa Harbour taiapure has not been gazetted.**

Actions:

- by December 2005, consider advice on the Manukau Harbour taiapure application.

Temporary closures, restrictions or prohibitions under s186A/B

Temporary closures, restrictions or prohibitions for up to two years are provided for as part of the customary management framework under the Fisheries Act 1996. The Minister determines these closures in the North Island and Chatham Islands, whereas the chief executive is responsible for determining closure requests in the South Island.

Currently there are six temporary closures or prohibitions in place at Western Coromandel (Ngarimu to Wilsons Bay), Kaipara Harbour, Pukerua Bay, Hicks Bay, Wakutu Quay (Kaikoura), Mt Maunganui, and Ohiwa Harbour.

The Ministry anticipates a request for renewing the s 186A closure to the take of green-lipped mussels at Ohiwa Harbour for a further two years. The closure expires on 5 December 2005.

Action:

- by **February 2006**, consider advice on renewal of the temporary closure at Ohiwa Harbour.

Marine reserves

The Ministry is working with the Department of Conservation on progressing a number of marine reserve applications. The establishment of marine reserves by the Minister of Conservation requires the concurrence of the Minister of Fisheries.

- Whangarei Harbour

On 1 August 2005 the Minister of Fisheries gave concurrence to the Minister of Conservation's decision to establish a marine reserve in Whangarei Harbour. Announcement of this decision has been postponed due to the Ngatiwai Trust Board having lodged litigation against the Director-General of the Department of Conservation and the Minister of Conservation.

- Great Barrier Island

On 16 June 2005, the Minister of Conservation requested the concurrence of the Minister of Fisheries to establish this reserve. The Ministry has notified the Ngatiwai Trust Board that the concurrence process has not progressed due to the current caretaker convention, and that a decision on commencing the process will be made by the new Minister.

- Volkner Rocks (Bay of Plenty)

On 3 February 2005, the Minister of Conservation requested the concurrence of the Minister of Fisheries to establish this reserve. The Ministry assessed the application and provided advice on the concurrence request on 9 September 2005.

- Paraninihi (north Taranaki)

The Minister of Conservation has requested the concurrence of the Minister of Fisheries to establish this reserve. The Ministry assessed the application and provided advice on the concurrence request on 12 September 2005.

- Taputeranga/Wellington South Coast

On 26 April 2005, the Minister of Conservation requested that the concurrence process for this reserve application be reactivated. The concurrence process had previously been suspended, at the request of the Department of Conservation, after Ngati Toa lodged an application for judicial review with the High Court. The Minister has agreed that Ministry work on this application will follow the completion of other pre-existing marine reserve applications.

- Nugget/Campbell Point (Otago)

On 20 July 2005 the Ministry received the draft formal application for the Nugget Point marine reserve proposal. On 5 September 2005 the Ministry completed its review of the draft formal application. It is understood that the Department of Conservation intends to release the formal application for the site before 2006.

Actions:

- consider advice on the Volkner Rocks marine reserve application submitted in September 2005
- consider advice on the Paraninihi marine reserve application submitted in September 2005
- consider advice on the Taputeranga marine reserve application in 2006.

Introduction of New Species into the Quota Management System

Over the past few years, the Ministry of Fisheries has undertaken a programme to introduce further species into the QMS as part of its strategic direction to apply a rights-based framework and to

meet its obligations under the Deed of Settlement. Most recently, five species (cockles, dredge oyster, pipi, scallops and tuatua) were introduced into the QMS on 1 October 2005.

The Ministry proposes to introduce further species into the QMS on 1 October 2006. These species are deepwater clam, knobbed whelk, and area 10 stocks of cockle, pipi and tuatua.

The Act contains a statutory process for introducing species into the QMS based on identifying whether sustainability or utilisation concerns exist and consulting with stakeholders over the proposal and rationale to introduce. There is also a subsequent requirement to set sustainability measures that will apply after introduction

The statutory process for introduction takes about 12 months, i.e. the Minister would need to gazette introduction of a species on 1 October 2005 for it be introduced into the QMS on 1 October 2006. The process for introduction is normally timed to ensure decisions take place well in advance of the start of the 12-month period aligned to either the 1 October or 1 April fishing year.

The process to set sustainability measures and other regulatory controls for the new species will follow the same path as that for the October 2006 sustainability round. Fisheries Operations leads the development of the Initial Position Paper (IPP) with input from science and other business groups as required. Following consultation the Ministry produces a Final Advice Paper that summarises views on initial proposals and provides the Ministry's final advice to the Minister.

Actions:

- in October 2005, determine whether to declare deepwater clam, knobbed whelk and area 10 stocks of cockle, pipi and tuatua subject to the QMS
- by September 2006, decide on the TAC and TACC and other allowances for those species entering the QMS on 1 October 2006
- recommend consequential regulations supporting the entry of species in October 2006.

Marine Protected Areas Policy

The Marine Protected Area (MPA) Policy and Implementation Plan was approved by the Minister of Fisheries and Minister of Conservation in July and is now ready for Cabinet consideration. The Policy contains a four-stage approach to implementation. The first stage is to develop the approach to classification, formulate a standard of protection, and map existing management mechanisms. Scientific workshops are planned to assist with the process, and the results will be put on the website for comment. The Minister of Fisheries and Minister of Conservation will be asked to make decisions on the approach to classification and assessing the standard of protection. Stage 1 is due for completion by the end of 2005.

Additional resources may be required to implement the MPA Policy. The extent of any funding required depends on prioritisation decisions within the Ministry and Department of Conservation, the number of regional planning processes which proceed simultaneously, and options to reprioritise some funding within the New Zealand Biodiversity Strategy. The Ministry will provide advice on any new funding sought to implement the MPA Policy next year.

Action:

- by December 2005, consider advice to joint ministers regarding the classification approach and protection standard.

New Zealand Biodiversity Strategy review

There is strong public support for protecting New Zealand's special places and species. This support has found expression in public investment in conservation. This investment was clarified and emphasised in the New Zealand Biodiversity Strategy (NZBS) which identified priorities to halt the decline in biodiversity and to establish a cross-government work programme to implement NZBS priority actions at an additional investment above baselines of \$187m over five years from 2000/01.

The additional work and investment provided through the NZBS has already led to a significant increase in knowledge about what is actually happening, as well as how to manage for biodiversity goals. Our knowledge and information systems are still improving and our technical knowledge is world class.

An independent review of progress over the first five years is near completion. Along with the reviewers' report, the Biodiversity agencies will provide the Minister of Fisheries and other Ministers with a whole-of-government commentary including options for NZBS related work over the next five years. Work on formulation of a coordinated, collaborative work programme for the next 5 years, and any related financial implications will be reported to Ministers in line with the upcoming budget process.

Action:

- by December 2005, consider the NZBS review and agency commentary.

Maui and Hector's dolphins

The interaction of fishing with Maui and Hector's dolphins is an on-going issue.

- *West Coast North Island:*

Maui dolphins are listed as critically endangered, and probably number less than 150 individuals. In 2003, a large part of the west coast of the North Island (out to 4 nautical miles) was closed, by regulation, to both commercial and recreational set netting. Current initiatives involve gathering further information regarding the distribution of Maui dolphins, particularly in offshore areas to assess their possible interaction with trawling, and their distribution within harbours. The Ministry and World Wide Fund for Nature have jointly funded aerial surveys, and a preliminary progress report relating to a survey in January 2004 has been received.

- *Canterbury*

A limit has been set of three Hector's dolphin deaths per year attributable to set netting for the area between the Waiiau River and Waitaki River. Regulatory measures for recreational fishers have been introduced to support this limit. The industry has introduced a range of mitigation measures (including a code of practice and the use of acoustic pingers) to give a high probability that the limit of three Hector's dolphins will not be exceeded. Industry is currently trialling a video monitoring programme as a means of verifying the success of these measures.

- *West Coast South Island:*

The largest sub-population of Hector's dolphin is found on the west coast of the South Island. The last census suggests that this population consists of about 5400 animals and that there are no real concerns about the status of this population. The Ministry has received advice from DoC that steps are being taken to propose a marine mammal sanctuary around Buller Bay.

The Ministry has undertaken preparatory work with the Department of Conservation to discuss the development of a Hector's and Maui's dolphin management plan with key stakeholders. As part of developing the management plan all information on these dolphins will be collated and assessed and used as part of an analysis of the significance of risks facing the dolphins and efficacy of current management measures in mitigating those risks. It is expected that the proposed management plan will be completed by the end of 2005.

Action:

- by December 2005, consider advice on when and how to consult with stakeholders on the proposed management plan.

Sharks

Sharks share a number of characteristics, both biological and economic, that make them susceptible to over-utilisation. Sharks are primarily predators and many are top-level carnivores, as a result their abundance is relatively low compared with species at lower trophic levels. In addition, there are aspects of shark biology that make them more susceptible to overfishing such as late onset of maturity, slow growth rates, low fecundity and particular reproductive strategies (many give birth to live young or lay a small number of eggs). As a result, fishing sharks to unsustainable levels may occur more quickly than other fish species and therefore fisheries management must be more proactive than is required for more productive fishes.

Management is also compromised by the general lack of quality information for most species of shark. This is due to a number of factors. The high mobility and extensive range of many shark species requires coordination among various bodies to collect information about biology, catch rates and other pertinent information.

To address some of these management concerns, the Food and Agriculture Organisation of the United Nations (FAO) organised experts to consult on an *International Plan of Action for the Conservation and Management of Sharks* (IPOA). Under the IPOA, States should adopt a NPOA-Sharks (*National Plan of Action for the Conservation and Management of Sharks*) if their vessels conduct directed fisheries for sharks or regularly catch sharks in non-directed fisheries.

New Zealand is in the process of finalising a discussion document for a framework to implement a NPOA- Sharks.

Action:

- by December 2005, consider advice on when and how to consult with stakeholders on a framework to implement a National Plan of Action for Sharks.

National Plan of Action for Seabirds

New Zealand is an important breeding ground for about 80 seabird species, including many albatross and petrel species that breed nowhere else in the world. Seabird populations globally are subject to incidental capture from fishing activity, particularly longline and trawl fishing.

To combat this threat the United Nations Food and Agricultural Organisation developed an International Plan of Action for Reducing the Incidental Catch of Seabirds in Longline Fisheries (IPOA seabirds), which led to the development of New Zealand's National Plan of Action to Reduce the Incidental Catch of Seabirds in New Zealand Fisheries (NPOA Seabirds).

The principal management measure contained in the NPOA Seabirds is the development of voluntary Codes of Practice to reduce seabird bycatch. However the NPOA also provides for a range of mandatory measures to be introduced where voluntary measures prove ineffective or where there is sufficient evidence to warrant a particular measure being made mandatory.

Success of voluntary Codes of Practice has been mixed. The Joint Venture tuna and ling autoline fleets appear to have successfully reduced seabird bycatch and are deploying effective voluntary mitigation regimes. The squid and hoki trawl fisheries have not implemented their Code successfully, but have reaffirmed their commitment to do so. The remaining five other key fisheries (ling longline, snapper longline, bluenose longline, domestic tuna and scampi trawl) are currently developing Codes of Practice.

The Ministry of Fisheries is currently reviewing how the NPOA Seabirds can work more effectively to meet both stakeholder and Government expectations, with a focus on ensuring that voluntary frameworks are sufficiently robust to deliver on your statutory responsibilities to avoid, remedy and mitigate seabird bycatch.

Following poor adoption of voluntary mitigation measures in the squid fishery, the Minister of Fisheries introduced mandatory measures to manage seabird bycatch in middle depths trawl fisheries. The measures included a *Gazette* notice, to act as an interim measure, and longer-term measures through amendment to the Fisheries (Commercial Fishing) Regulations 2001.

The Ministry will shortly begin consultation on the mandatory use of tori lines for all longline vessels, as tori lines have been shown to be one of the most effective back of boat mitigation measures, and are relatively cheap and easy to install.

Fish offal and discards are a major attractant to seabirds and contribute significantly to the number of birds that are ultimately killed through interactions with fishing gear. All stakeholders recognise the importance of addressing this issue and both the Department of Conservation and the fishing industry will continue to progress work in this area. The Ministry of Fisheries is in the process of developing advice to you on options for managing offal and discards in the middle and deep water trawl fleets, including an assessment of progress made by industry in tackling this problem.

Actions:

- in October 2005, agree to commence consultation on the introduction of tori lines into all longline fleets
- in October 2005, decide whether or not to introduce tori lines into all longline fleets.

Sea Lion Operational Plan

Each year, the Ministry develops an Operational Plan, which is signed off by the Minister of Fisheries, to manage the interaction between New Zealand sea lions and the squid trawl fishery around the Auckland and Campbell Islands. The central component of the Operational Plan is the setting, and subsequent monitoring, of a limit on fishing-related mortality of sea lions. Should the limit be reached, the Minister may enforce the limit by closing the fishery for the remainder of the fishing year.

The sea lion operational plan has been the focus of High Court and Court of Appeal proceedings initiated by the fishing industry during three out of the last four seasons, and remains a contentious subject due to the high value of the fishery and the threatened status of the New Zealand sea lion.

The 2005/06 fishing year is likely to be the last year that the limit on fishing related mortality is set under the Fisheries Act, as the Department of Conservation is developing a Population Management Plan to replace this aspect of your statutory duties to manage the sea lion population with the intention of coming into place for the 2006/07 fishing year. However, the monitoring and enforcement of the fishing related mortality limit will still be delivered under the Fisheries Act. In addition, the Minister of Fisheries has a concurrence role with regards to the Population Management Plan and the fishing related mortality limit that is contained within it.

Action:

- by October 2005, agree to the Sea Lion Operational Plan for the 2005/06 squid season.

Marine farm permitting decisions

The Ministry of Fisheries has a backlog of about 180 marine farming permit applications that must be completed under the old aquaculture law in the Fisheries Act 1983. This backlog arose due to two factors. There was a sudden demand for water space as the economic returns from marine farming increased. Secondly, as marine farming reached increasing densities, particularly in the Marlborough Sounds (where 95% of the applications originate), there was a need for better scientific information in support of applications to assess the cumulative impacts on fisheries resources.

Among the backlog are a number of large applications (>1000 ha) for new marine farming space. Some of these applications will have significant adverse effects on fishing and may be declined. Whether they are declined or not, either applicants or fishers will be unhappy with the decision. The Ministry will ensure you are briefed prior to any contentious decisions being made. At least three contentious decisions are expected before Christmas.

The Chief Executive is responsible for making the marine farming permit decisions. Government has provided the Ministry with additional funding to resolve these applications. The Ministry expects the backlog will be completed sometime in the 2006/07 financial year.

Action:

- None. This is for your information only.

Regulations to implement aquaculture reforms

Implementation of the aquaculture reforms enacted in December 2004 requires a number of supporting regulatory measures. The Ministry has provided advice on a regulatory package that includes registers (statutory requirement), record keeping (to manage risks to wild fisheries), fees (statutory requirement), and cost recovery (rationalisation of calculation of total area).

To meet statutory requirements the regulatory package needs to be enacted by 1 January 2006. The regulatory package will need to be sent to the Economic Development Committee (EDC) for their approval.

Action:

- in October 2005 forward the regulatory package to EDC, for enactment by 31 December 2005.

Service delivery issues

Appointment of new Approved Service Delivery Organisation (ASDO)

Certain registry services required under the Fisheries Act 1996 (“the Act”) have been delivered by an external industry owned company since 1 October 2001. The responsibility for the functions, duties and powers of the Chief Executive in relation to these registry services was transferred to the New Zealand Seafood Industry Council Limited (SeaFIC) by way of Order in Council in 2001. This is commonly referred to as devolution. The Order in Council transferring those functions, duties and powers to SeaFIC expires on 30 September 2006.

In June and July 2005 the Ministry advertised for expressions of interest (EOI) from companies to deliver the suite of services under devolution. Despite initial interest from several companies, SeaFIC was the only company to formally respond.

The ASDO evaluation panel consisted of four Ministry staff from different business groups and one representative from the Ministry for the Environment. The panel met on 20 July 2005 to evaluate SeaFIC’s response to the EOI. The Vote Fisheries Analyst from the Treasury was kept informed of the ASDO approval process. He was to be on the evaluation panel if the Ministry received more than one response. However, as the only response received was from the current ASDO, he advised that he did not need to play an active role in the evaluation.

The task for the evaluation panel was to focus on analysing SeaFIC’s response against the Ministry’s expectations for each criterion and agreeing whether or not the respondent satisfactorily met those expectations.

On 27 July 2005 the Ministry recommended that SeaFIC be appointed as an ASDO from 1 October 2006 for a period of seven years. As required by the Act, the Minister consulted with the Minister for the Environment who concurred with the recommendation.

The Ministry will begin preparing papers for Cabinet consideration proposing a new Order in Council appointing SeaFIC as an ASDO for a period of seven years from 1 October 2006.

Action:

- consider Cabinet papers in October and November 2005 proposing an Order in Council appointing SeaFIC as an ASDO from 1 October 2006.

Maori Commercial Aquaculture Claims Settlement

Since 1 January 2005 the Ministry of Fisheries has been responsible for administering the allocation of the equivalent of 20% of ‘existing’ aquaculture space in the coastal marine area, issued on or after 21 September 1992 to the trustee, for their allocation to iwi. The key initial tasks have been the establishment of the role of the trustee, quantification of the space, and developing a communication package.

In addition the Ministry is currently preparing advice on regulations relating to the establishment of a settlement asset register by the Ministry and the operation of the trustee, and advice on an Order in Council to add three further harbours to the Second Schedule of the Maori Commercial Aquaculture Claims Settlement Act 2004. Further advice will be forthcoming on an Order in Council instructing regional councils to provide additional space to the trustee to enable the Crown to settle obligations relating to existing aquaculture space. Should any defects in the legislation be

identified in the course of implementing the aquaculture settlement, advice will be provided on necessary amendments.

Actions:

- in November 2005, recommend regulations relating to the establishment of a settlement asset register and the operation of the trustee
- in November 2005, recommend an Order in Council to add three new harbours to the Second Schedule of the Maori Commercial Aquaculture Claims Settlement Act 2004
- in early 2006 recommend an Order in Council instructing regional councils to provide additional new aquaculture space to the trustee
- consider advice on any necessary amendments to the Maori Commercial Aquaculture Claims Settlement Act 2004.

Ownership issues

Report on Future Operating Intentions

The Ministry is required by the Public Finance Act to provide the Minister with a report, before the start of the next financial year, which sets out the nature and scope of the Ministry's functions and intended operations. This report must also describe the specific impacts, outcomes, and objectives that the Ministry seeks to achieve through its operations, along with information on the measures and standards that the Ministry will use to assess and report on its future performance. Upon receipt of this report the Minister is required to present it to the House of Representatives. The Ministry is then required to publish this report.

Actions

- in November consider a draft of the future operations report and release for consultation with stakeholders
- in April 2006 consider final draft of the report and adopt it for presentation to the House of Representatives.

Fisheries Compliance defensive equipment (OSH)

The Chief Executive of the Ministry, as employer, is subject to the provisions of the Health and Safety in Employment Act 1992. This act imposes an obligation on every employer to take all practicable steps to ensure the safety of employees at work. The Ministry is aware of the risks to Fishery Officers posed by the possibility of assault, by fishers and others, in the course of carrying out their duties. The potential risk of assaults impact on the safety of Fishery Officers, and thus the Chief Executive needs to be able to demonstrate that he has properly managed that risk in accordance with the Health and Safety in Employment Act.

In 2004, the Chief Executive provided a briefing paper to the Minister of Fisheries outlining the results of an extensive in-house review of Fishery Officer safety issues, especially those arising from contact with the public. The paper also canvassed the possibility of use, by fishery officers, of batons or pepper spray. Currently Fishery Officers cannot lawfully carry or use batons or pepper spray, even in self-defence. The risk of assault may be reduced by imposing further operational constraints, group patrols, and if it cannot be reduced to satisfactory levels, officers may have to be withdrawn from high-risk situations. In addition there are a number of legal constraints that prevent a Fishery Officer from carrying out the full range of duties such as the ability to safely stop

vehicles without blue and red flashing lights and access to important information because of the Clean Slate legislation.

As a result of the briefing provided to the Minister, and subsequent Cabinet discussion, in August 2004 Cabinet requested advice on the subject of arming fishery officers; noting that it would be desirable to take a whole of Government approach, given the implications for other public servants with a law enforcement role. Cabinet requested that the Ministry of Justice provide the advice to Cabinet Policy Committee in due course, and that it be prepared in consultation with the Minister of State Services, Attorney General, Minister of Police, Minister of Fisheries and others as appropriate. Ministry officials have provided comments on an initial draft, but a final paper has yet to be considered by Cabinet.

Ensuring Fishery Officers work in a safe environment is a priority for Fisheries Compliance. Regardless of the outcome of the Cabinet paper on defensive equipment, Fisheries Compliance is continuing with a number of initiatives to better manage and mitigate risk to Fishery Officers. These initiatives include the establishment of a Health and Safety working group, trialling stab proof vests, GPS installed in vehicles, a new national communication centre and radio network, improved operational planning, the installation of police radios in fisheries vehicles in high risk areas and improved training and operational procedures. In addition, an independent expert has recently carried out a Health and Safety audit. While generally reporting favourably, the audit made a number of recommendations for improvement. A plan of action is now being developed to implement the recommendations from the audit.

Action:

- discuss with the Ministry further steps that could be taken to address health and safety issues for Fishery Officers.

MINISTERIAL ACTIONS AND ISSUES FOR 2006 AND BEYOND

Policy issues

International fisheries

South Indian Ocean Fisheries Agreement (SIOFA)

New Zealand has been influential in negotiations to develop a legally binding agreement for the management of high seas demersal species (including orange roughy) in the southern Indian Ocean. New Zealand fishers have a significant catch history in these mid and bottom trawl fisheries. A final text of the Southern Indian Ocean Fisheries Agreement (SIOFA) was adopted by an intergovernmental consultation in April 2005 in Kenya. The negotiations successfully addressed the different interests of east African coastal states and distant water fishing nations including New Zealand. New Zealand sought to secure an agreement that provides for long-term conservation and sustainable use of the fish stocks in this region, is cost-effective, and provides mechanisms to secure continued access for New Zealand operators. The Agreement is modelled on the principles of the United Nations Fish Stocks Agreement and includes provisions that will allow parties to address the impacts of fishing on biodiversity.

A diplomatic conference is being planned for January 2006 where the final text of the Agreement will be opened for signature. New Zealand will need to decide whether and when to sign and ratify the Agreement. We will also need to develop our approach to the interim preparatory period between signature and ratification, including the possible development of interim management measures.

Actions:

- by January 2006 approve, in consultation with the Minister of Foreign Affairs and Trade, a paper requesting Cabinet approval for New Zealand to sign the Southern Indian Ocean Fisheries Agreement
- approve the New Zealand approach to the period between signature and ratification, in particular on interim measures for the conservation and management of the fishery including measures to address the environmental impact of fishing activities
- approve a submission (in conjunction with the Minister of Foreign Affairs and Trade) on the National Interest Analysis and accompanying Cabinet paper on New Zealand's ratification of the Agreement.

South Pacific Regional Fisheries Management Organisation

There is currently a gap in the international legal framework for the conservation and management of non-tuna species in the high seas part of the South Pacific Ocean. International law requires states to cooperate in the conservation and management of living resources in the high seas with a view to taking conservation and management measures and, as appropriate, establishing regional fisheries management organisations (RFMOs). At the FAO Ministerial meeting in March 2005, New Zealand and Australian Ministers announced their intention to commence discussions on the establishment of a new RFMO for the conservation and management of South Pacific non-tuna fisheries. Chile will also take a lead role in this initiative. A wide range of other states, including Pacific Island states, are likely to have an interest in being involved in the process. The RFMO should aim to ensure long-term sustainability of non-tuna fish stocks in the South Pacific and

address the impacts of fishing on biodiversity. The treaty establishing the RFMO should reflect “best practice” in international fisheries management and be based on the principles outlined in the United Nations Fish Stocks Agreement.

The first inter-governmental meeting to discuss the establishment of the RFMO is scheduled to take place in Wellington from 14 – 17 February 2006. Invitations are being distributed to all states, fishing entities, and regional economic integrated organisations with an interest in South Pacific fisheries. Relevant international and regional fisheries organisations, NGOs and industry groups are also invited to participate as observers. New Zealand has taken on the role of interim secretariat in the lead-up to the commencement of formal negotiations of the RFMO.

Actions:

- approve, with the Minister of Foreign Affairs and Trade, the New Zealand negotiating brief for the first multilateral meeting to establish an RFMO for the South Pacific Ocean to be held in New Zealand in February 2006
- participate (e.g. Opening address) in the first multilateral meeting.

Illegal, Unreported, & Unregulated Fishing Issues

Illegal, unreported, and unregulated (IUU) fishing is a significant problem globally. It undermines efforts to conserve and sustainably manage fish stocks, and can have detrimental effects on bycatch species such as seabirds, and the environment. Since 2003, the Minister of Fisheries has been working as part of a Ministerial High Seas Task Force to address IUU fishing. Members include Ministers from Britain, Australia, Chile, Canada, Namibia and New Zealand. The objective is to prepare recommendations on how to prevent and eliminate IUU fishing that are analytically sound, politically realistic and financially viable, and to ensure their implementation at national, regional and international levels. The first meeting of the High Seas Task Force was held in Paris in March 2005. A second and final meeting of the High Seas Task Force is scheduled for February 2006.

Action:

- attend the final meeting of the High Seas Task Force in Paris in February 2006.

Review of United Nations Fish Stocks Agreement

The United Nations Fish Stocks Agreement (UNFSA) covers straddling and highly migratory fish stocks and came into force in 2001. New Zealand is a party to the Agreement, which we implement through the Fisheries Act. Part XII of the Agreement provides for a review conference to be held four years after the date of entry into force of the Agreement with the view to assessing its effectiveness in securing the conservation and management of these stocks. The review conference will be convened from 22 – 26 May 2006.

New Zealand’s approach and positions for the conference will need to be carefully considered. A preparatory meeting in June 2005 revealed differences in views on what means should be used to strengthen the Agreement. However, many states did share the view that two gaps in the Agreement need to be addressed during the Review Conference: its application to discrete high seas stocks and specific criteria for allocation of participatory rights. New Zealand will need to engage with other like-minded countries in the period leading up to the Review Conference and ensure linkages are made with the work of the High Seas Task Force on IUU and the assessment undertaken by FAO on the effectiveness of RFMOs.

Action:

- before May 2006, approve a paper (in conjunction with the Minister of Foreign Affairs and Trade) on New Zealand's approach and positions for the 2006 UNFSA Review Conference.

WTO negotiations on fishing and fish subsidies

In November 2001, the World Trade Organisation (WTO) Ministerial Conference in Doha launched a new round of multilateral trade negotiations and an expanded work programme of research and analysis. A key outcome for New Zealand was the inclusion of a mandate for negotiations on fish subsidies. This is an important milestone in a campaign New Zealand has pursued for a number of years, and which will have significant benefits for trade, the environment, and development.

New Zealand has been successful in moving the negotiation of new disciplines on fisheries subsidies onto the agenda of the World Trade Organisation (WTO) Rules Negotiating Group. New Zealand has contributed substantially to progress within the WTO Rules Negotiating Group, which has evolved from a debate on the effect of subsidies on trade and resource sustainability, to a substantive debate on the treatment of specific subsidy programs under new disciplines. New Zealand is aiming to achieve the definition of comprehensive and enforceable rules on fisheries subsidies that reduce the trade distorting effects of subsidies, to increase the value New Zealand obtains from its fishery resources, and to reduce the environmental pressures caused by subsidies promoting over-capacity and over-exploitation.

Over the next six months, representatives from the Ministry will continue to attend meetings of the WTO Rules Negotiating Group as part of New Zealand delegation providing technical input and assistance to the negotiation of rules on fisheries subsidies. Over the next three years the Ministry will continue to provide technical input to the negotiations and submissions prepared by the Ministry of Foreign Affairs and Trade for the Minister for Trade Negotiations.

Action:

- None. This is for your information only.

New Zealand – China free trade agreement negotiations

New Zealand and China have recently commenced negotiations on a free trade agreement. New Zealand currently exports seafood valuing US\$50 million to China annually. Under a free trade agreement removing tariffs and other trade barriers that apply to New Zealand seafood products, it is predicted that the value of exports could be increased to US\$150 million annually. Similarly, harmonisation of customs practices and increased customs cooperation is likely to curb the export of black market seafood products to China. Over the next six months, representatives from the Ministry will be providing technical input and advice to the negotiations team so that a free trade agreement between the two nations delivers substantive outcomes for the New Zealand seafood industry.

Action:

- None. This is for your information only.

Forum Fisheries Agency

New Zealand has played an active role in recent regional moves to refocus and reinvigorate the Pacific Islands Forum Fisheries Agency based in Honiara, Solomon Islands. These moves have included development of a revised Strategic Plan for the Agency and review of its governance

arrangements, the latter being in response to a call by Forum Leaders in 2004 for greater Ministerial oversight of regional fisheries issues. At a Ministerial level meeting of the Forum Fisheries Committee held in Marshall Islands in June 2005, the New Zealand Associate Minister of Pacific Island Affairs, Hon Taito Phillip Field, led other Ministers in re-instating annual Ministerial level meetings of the governing body of the FFA.

A New Zealand proposal for development of an expert business management committee to streamline the governance of the Agency was also kept on the table for consideration by Ministers at next year's annual meeting, which will be held in Nauru in May 2006. New Zealand officials will seek to work closely with the FFA Secretariat on this proposal in the lead up to next year's meeting. Ministerial attendance by New Zealand will again be important at this meeting.

Action:

- None. This is for your information only.

New Zealand fisheries

Growth and innovation framework (GIF)

The Growth and Innovation Framework (GIF) is an initiative designed to improve economic performance within New Zealand. This initiative has the goal of a high value-added New Zealand economy driven by innovation, the key to sustainable economic growth.

The Ministry of Economic Development has responsibility for overall coordination and management of the GIF initiative. However, the Ministry of Fisheries also has a role to play through the implementation of policies designed to improve the economic performance of the New Zealand fisheries and aquaculture sector.

One of the primary mechanisms to achieve the goals for increasing sustainable economic growth is the Ministry of Economic Development's Sector Engagement project. The Sector Engagement project is designed to explore options and support for high-level whole of government "engagement" with different sectors in the economy. In other words, a process for the sector – "in partnership with government" – to identify and address a range of strategic issues, with a view to ensuring that the current and future potential of the sector can be realised.

Because of the economic importance of the food and beverage sector (including wild fisheries and aquaculture) to New Zealand, this is one of the first sectors to be "engaged". A joint industry/government Food and Beverage Sector Taskforce has been established to identify areas of concern and opportunities for improvement of the institutional framework, and develop a plan of action to progress these issues.

The GIF and the Food and Beverage Sector Engagement complement many existing Ministry of Fisheries projects that contribute to the growth and innovation in the fisheries sector. These include engagement with the aquaculture sector to support the industry initiative to develop a National Strategy for aquaculture; development of the Fisheries Plan framework; the collective accountability project; the deemed value entitlement review; the cost recovery review; Ministry involvement in the Oceans project; and the Ministry's involvement in the joint government/industry working group looking at labour/skill requirements for the New Zealand fishing industry.

Action:

- None. This is for your information only.

Seafood Workforce Strategy

The Seafood Workforce Strategy Working Group has recently been established to develop a strategy to address the skill and labour needs of the fishing industry. The Working Group is led by the Department of Labour and has representation from the Ministry of Fisheries, the Ministry for the Environment, the fishing industry, and maritime unions. Underlying labour issues include those related to use of foreign crew in the New Zealand fishing industry. The first meeting of the Working Group took place on 26 July 2005.

The Working Group is adopting an enabling and facilitating approach consistent with the Growth and Innovation Framework. The initiative will have links to the Food and Beverage Taskforce and will draw on precedents addressing labour issues in horticulture and roading.

Action:

- Consider implications of any recommendations on completion of the workforce strategy.

Legislative review

There is a growing recognition that the fisheries legislation needs to be reviewed to ensure that New Zealand's fisheries management strategy can be fully developed and implemented over time. The Fisheries Act 1996 does not provide the necessary legislative mechanisms to fully support the strategy. In particular, the Act needs to be structured in a way that recognises the use of objectives-based management and the use of fisheries plans, within a framework of management targets and standards. Unless the legislation is reviewed there is a risk that a gap will develop between the desirable management actions, and those legally enabled by the Act. Work planned for this area will focus on confirming the specific nature and scope of the fisheries strategy and preparing a comprehensive description of the legislative framework required to implement the strategy. This will include the identification of 'gaps' where the current Act needs to be strengthened. In addition, the allocation and recreational reform sections described earlier in this briefing indicate the likely consideration of legislative reform in these areas. These factors make it likely the Ministry will recommend the development of a fisheries amendment for introduction in late 2006, or early 2007.

Action:

- None. This is for your information only.

NZ Coastal Policy Statement review

The New Zealand Coastal Policy Statement (NZCPS) is the responsibility of the Minister of Conservation under the Resource Management Act (RMA) 1991. The purpose of the NZCPS is to achieve sustainable management of the coastal environment of New Zealand. The RMA requires that local authorities give effect to the NZCPS when preparing policy statements and plans and when assessing resource consent applications.

The current NZCPS was gazetted in 1994 and is under review. The NZCPS needs to be reviewed to:

- provide clear guidance to decision-makers—in particular regional councils—on implementation of the Foreshore and Seabed and Aquaculture reforms

- provide clear guidance to regional councils on the development of the second generation of regional coastal plans
- revoke and amend policies now obsolete or less relevant due to policy developments since 1994.

Scoping work for the review is looking at eight topics: Crown's interest in its lands, access, aquaculture, coastal hazards, historic heritage, infrastructure, natural character & biodiversity, restricted coastal activities, and water quality.

The issue of regional councils playing a greater role in the management of the impacts of fishing on the environment is expected to be raised during the review. This is an important issue with significant potential implications for the Ministry and fisheries management that will need to be carefully considered. Related to this, it is important to note that the NZCPS overlaps significantly with elements of the Oceans Policy project.

The review timetable is to produce a draft NZCPS by December 2005. January 2006 - March 2006 will see consultation with other Ministers prior to the Minister of Conservation publicly releasing the draft. The intention is that during March to November 2006 a Board of Inquiry will call for submissions, hold hearings and produce a report, with recommendations to the Minister of Conservation. The Minister will then consider these recommendations and approve a final NZCPS for consideration by Cabinet Policy Committee.

Action

- by March 2006, consider advice on the draft NZCPS.

OECD environmental performance review

Since 1992 the Organisation for Economic Co-operation and Development (OECD) has undertaken comprehensive environmental reviews for all OECD member countries. New Zealand was first reviewed in 1995/6. The Ministry for the Environment is now co-ordinating New Zealand's input into the second New Zealand review. The scope of the review is retrospective (1996 – present day) and covers not only actions, but also intentions and results. A major finding from the last NZ review is that NZ has a very poor record of monitoring and evaluation of environmental policy initiatives.

The principal objective of the review programme is to help OECD member countries to improve their individual and collective performances in environmental management with the goal of achieving sustainable development. The published report makes conclusions and recommendations, but these are offered for consideration and are not binding.

The reviews are undertaken by a team of specialists from member countries and the OECD Secretariat. The Ministry has compiled background material for the Review Team, assisted in preparing responses to the OECD questionnaire prior to the Team's visit, and taken part in officials' meetings with the Committee. The next phase is to respond to the draft report (due in December). There will be discussions with the Review Team in Paris early in 2006. The OECD will then complete its final report.

While fisheries management does not feature prominently in the survey, Ministry participation is important strategically. It can help ensure that a balanced and constructive review of fisheries sector is incorporated into the report and may be used to help direct effort and resources to key areas that need to be improved. There is also room for the Ministry to highlight not only successes

but also opportunities to improve sustainable development outcomes for marine management more generally.

Action

- None. This is for your information only.

Treaty Strategy

Identifying and describing the nature and extent of the Crown's obligations to Maori in respect of fisheries is necessary in order for the Ministry to implement mechanisms to provide for those obligations. The Ministry has put considerable effort into developing relationships with Maori, and delivery on some of those obligations. These ongoing efforts should be informed by a comprehensive analysis of obligations.

The Ministry is responsible for delivering on the Crown's obligations to Maori with respect to fisheries. The purpose of the Treaty Strategy is to review existing work and comprehensively document the nature and extent of the Ministry's obligations and the approach that the Ministry will take to address any delays in implementing those obligations. The obligations covered are in respect of the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992, the Maori Fisheries Act 2004, the Maori Commercial Aquaculture Claims Settlement Act 2004, individual settlements, the customary fishing regulations, and the Treaty Principles. The strategy will help to address any misunderstanding or lack of appreciation of the obligations. The Te Puni Kokiri review also recommends finalisation of the documentation as being a key strategic objective by which the Ministry can improve its performance in this area.

By June 2006 a high level Treaty Strategy policy document will be available that describes the nature and extent of the Crown's legal obligations to Maori with respect to fisheries, and specifies the outcomes the Ministry seeks from those obligations and relationships with Maori, including indicators and monitoring of the fulfilment of those obligations. Work will continue on planning and implementation for delivering on obligations.

Action:

- None. This item is for your information only.

Operational issues

Review of Sustainability Measures and Other Management Controls

The Ministry of Fisheries will undertake two reviews of sustainability measures and other management controls during 2006. The main outputs of the review are changes to Total Allowable Catch (TAC) and Total Allowable Commercial Catch (TACC) limits for the 1 April and 1 October fishing year, changes to deemed values, and decisions in principle on regulatory changes (the latter being implemented on a longer timeframe). The Ministry has recently completed the 1 October 2005 sustainability review, which contained a number of measures in regard to fishstocks, regulatory changes and deemed value reviews.

Sustainability reviews have been restricted in recent years due to resource constraints. Once proposals have been prioritised and confirmed for review, Fisheries Operations begins developing the Initial Position Paper (IPP). The views and recommendations outlined in each paper are preliminary and provided as a basis for consultation with stakeholders as required under the Fisheries Act. Much of the information detailed in the IPP for 1 October is drawn from the report from the fishery assessment plenary (the 'plenary report'), usually held in April of each year. The

plenary discusses the findings of the Fishery Assessment Working Groups, which review the available fishery research and catch data for all Quota Management System (QMS) fishstocks and for other important non-QMS species. These scientific working groups involve Ministry Science staff, other research providers and commercial and non-commercial sector group representatives.

Before consultation, the Ministry will submit the IPP to the Minister for his consideration. Should the Minister wish, the Ministry could prepare a letter outlining the Minister's initial views on management options that would then form part of the consultation with stakeholders. The Minister's preliminary views letter is sent to sector groups in early/mid July and forms the basis for further consultation between sector groups and the Ministry.

In late August/early September 2006, Fisheries Operations will complete the Final Advice Paper (FAP). The FAP summarises stakeholder views on those issues being reviewed and provides the Ministry's final advice and recommendations for each issue.

Issues have yet to be determined for either the 1 April or 1 October sustainability reviews.

Actions:

- consider whether he/she wishes to indicate a preliminary view on the IPP for the review of sustainability measures and other management controls for 1 April and 1 October
- following stakeholder consultation on the IPP, consider advice and determine any changes to TACs, TACCs, regulatory measures and deemed values on the basis of the FAP.

Stakeholder fisheries plans development and approval

Progress with stakeholder-led fisheries plans is being made in a number of high profile target fisheries. These plans are separate to the 2-3 Ministry-led trial plans that will be developed during 2005/06.

The Challenger Finfish Management Company have submitted an updated draft fisheries plan for SPO 7 (rig) to the Minister for final approval. The Ministry is evaluating the plan and, early in 2006, will provide advice on whether or not to approve it.

The Challenger Scallop Enhancement Company has submitted a draft Fisheries Plan and the Ministry has completed the s 12 consultation process. Submissions have been collated and forwarded to the plan proponents to enable them to update the plan and resubmit it for final approval.

The Ministry is working with PAUA MAC 7 to develop a fisheries plan for the commercial PAU 7 fishery. It is expected that an outline of the plan will be prepared by 1 October 2005 for discussion within PAUA MAC 7.

The Bluff Oyster Management Company Limited is preparing a fisheries plan for the sustainable management of the commercial Foveaux Strait dredge oyster fishery. The plan is likely to be submitted by the end of the year. Before approving the plan the Minister must undertake a statutory consultation process.

Several other draft stakeholder-led plans are currently in abeyance as the proponents consider feedback from non-statutory consultative processes. Examples include North Island eels, Oreo and cockle 3B. Progress on these issues will depend on the choices made by plan proponents.

Actions:

- in late 2005, consider advice on whether or not to approve the SPO 7 fisheries plan
- in late 2005 or early 2006, consider advice on whether or not to approve the SCA 7 fisheries plan
- in early 2006, consider advice on whether to initiate statutory consultation on the proposed Bluff oyster and PAU 7 fisheries plans.

Fisheries Act 1996 Schedule 4C and 4D fisheries

Over the next 18 months, the Ministry will review species on Schedules 4C and 4D of the Fisheries Act 1996 to determine which are appropriate for QMS introduction. Schedule 4C lists those stocks and species subject to the s 93 permit moratorium, while Schedule 4D lists those species for which quota is to be allocated on the basis of provisional catch history, if brought into the QMS on or before 1 October 2009.

Action:

- in 2007 consider advice on whether species on Schedule 4C and 4D of the Fisheries Act 1996 should be introduced into the QMS.

Aquaculture implementation

The Ministry is working closely with the Ministry for the Environment and Department of Conservation on the implementation of the new aquaculture law. Relationships with the aquaculture industry and councils are good. An implementation plan has been developed in consultation with interested parties that sets out central government's work programme for the next 18 months. Government implementation projects aim to promote appropriate aquaculture development and smooth the transition to the new law. The projects also aim to complement initiatives being undertaken by the aquaculture industry, including the aquaculture sector strategy. Updates of progress and achievements will be provided regularly to the Minister.

Action:

- None. This is for your information only.

Aquaculture management area decisions

The Chief Executive of the Ministry of Fisheries has a statutory role under the Fisheries Act 1996 to decide whether new Aquaculture Management Areas (AMAs) would have an undue adverse effect (UAE) on fishing. A policy statement and process standards have been developed setting out the intent of the UAE test and how the test will operate in practice. No contentious decisions are expected before 2006. The Ministry will provide regular updates of progress and any pending decisions.

Action:

- None. This is for your information only.

Biosecurity issues

Under a Memorandum of Understanding with MAF, the Ministry of Fisheries has a concurrence role on biosecurity issues affecting fisheries. Marine biosecurity accountabilities and functions previously undertaken by the Ministry (policy, regulatory and science) were transferred to MAF on 1 November 2004. The Ministry has an interest in any organism that can harm the sustainable use of fisheries, and in any process, system, policy or strategy that minimises the risks to New Zealand's aquatic environment from biosecurity threats.

The Chief Executive is represented on the Biosecurity Chief Executive's Forum. The purpose of the Forum is to develop the strategic direction for biosecurity to ensure that biosecurity contributes optimally to all desired outcomes. The Forum also monitors the performance of the biosecurity system, ensures clarity of roles, accountabilities and responsibilities, and improves the performance of the overall biosecurity system.

The Ministry of Fisheries is currently involved in developing strategies for the management of *Undaria pinnatifida*, a non-native seaweed that has been declared an unwanted organism under the Biosecurity Act. The Ministry is interested in a clear direction on this issue given its effects on commercial, recreational and customary fisheries.

Action:

- None. This is for your information only.

Service delivery issues

No decisions required.

Ownership issues

Scampi

Scampi management has been the subject of extensive stakeholder and public interest over the last 18 months. This follows extensive litigation by scampi participants over the last decade.

Due to allegations of corruption and incompetence in the management of the scampi fishery, in 2003 the Primary Production Committee undertook an inquiry into the management and administration of the scampi fishery by both the former Ministry of Agriculture and Fisheries (MAF) and the current Ministry of Fisheries. The Select Committee tabled its report in the House in December 2003.

The Committee reported that the corruption allegations were not substantiated during its inquiry and that those who earlier made the allegations then sought to distance themselves from the backdrop they created.

The Committee examined the past regime and found significant failings in respect of inconsistent administration of the permitting system for scampi up until 1 October 1990. The Committee also noted, given their experience of recent Ministry advice concerning catch history, they were not so sanguine about how much progress had been made by the Ministry of Fisheries.

The Committee recommended that scampi be introduced into the QMS as of 1 October 2004 using catch history as the basis of quota allocation. The Committee also made a number of technical recommendations on catch history records. The Government accepted this recommendation and introduced scampi by way of a legislative amendment to the Fisheries Act 1996 from 1 October 2004.

The Select Committee identified 6 scampi fishers who had a justified grievance with the treatment they received from the former Ministry of Agriculture and Fisheries. The Committee recommended that the Ministry negotiate a payment to end the disputes between them. The Committee recommended minimum ex gratia payments of \$400,000 for five of the named fishers, and \$900,000 for the other fisher. The Ministry's negotiating team commenced negotiations in March 2004. Settlement has been reached with 2 of the 6 fishers. Three of the fishers are now pursuing civil damages claims against the Ministry in the High Court. One fisher is considering his options.

Following the allegations mentioned above the State Services Commissioner also established an Inquiry into the systems and processes operated by the former MAF and Ministry. This Inquiry heard evidence from affected parties over 2003. It released its report on 25 May 2004, concluding that there was no foundation for the allegations of corruption against two senior officials of the Ministry. However, the Inquiry found that in the period before 1995 there was a history of inconsistent and poor administration by MAF that unfairly impacted on some fishers and undermined trust in New Zealand's fisheries management. The enquirers made five recommendations relating to the Ministry's culture and processes. The Ministry is progressively addressing these recommendations.

Action:

- None. This is for your information only.

ANNEX 1 – FISHERIES MANAGEMENT IN NEW ZEALAND

This annex presents an overview of the characteristics of the fishing sectors and fisheries management in New Zealand, key recent developments in the management of New Zealand's fishery resources, and key aspects of New Zealand's interest in international fisheries.

Characteristics of the fishing sectors

Fishing industry and aquaculture

About 130 species are fished commercially within New Zealand waters. Catch is dominated by deepwater species (including hoki, ling, orange roughy, oreo dories, squid and silver warehou) as well as spiny rock lobster, paua, green-lipped mussels and snapper. Approximately 750,000 tonnes greenweight of seafood is harvested annually. Seventy percent of this is taken from deepwater and midwater stocks, 11% from pelagic stocks (such as mackerel and tuna), and 10% from farmed species. The inshore fisheries provide a base for the majority of owner-operated fishing businesses.

Aquaculture is an important and fast growing portion of the New Zealand seafood industry. There are currently around 1,000 marine farms covering approximately 9,000 hectares of coastal water space. Aquaculture contributes approximately 15% of the seafood sector's total value. The largest contributor is green-shell mussels. Other important species are king (quinnat) salmon and Pacific oyster. Techniques are being developed to farm a variety of other species, such as paua, seaweed, paddle crabs, rock lobster, koura, seahorses, kingfish, snapper, eels, flatfish and sponges.

In 2004 the seafood sector was New Zealand's fifth largest export earner. Exports comprise approximately 88% of the seafood sector's value. The seafood industry creates \$1.2 billion in exports and \$150 million in domestic sales annually, contributing \$1.7 billion to the Gross Domestic Product and \$4.5 billion to total output. There are a total of 2,500 seafood entities, providing direct employment for 10,500 full-time equivalent people.

New Zealand's major export markets are the European Union (18%), the United States (17%), Japan (16%) and Australia (12%). Other Asian countries (excluding Japan) collectively account for 27% of New Zealand's exported seafood product. In 2003, for the first time in more than a decade, export dependency slipped below 90% by value of total production. In the short term, export earnings are expected to fall as the New Zealand dollar strengthens against the US dollar, and reductions in TAC for commercially dominant species take effect.

The New Zealand Seafood Industry Council (SeaFIC) provides overarching representation of the New Zealand fishing industry. SeaFIC promotes the interests of all sectors of the fishing industry by providing economic information and advice, co-ordination of industry resources, and enhancement of the industry's profile in the community.

A key player in the commercial sector is Aotearoa Fisheries Limited. The company - which was established under the Maori Fisheries Act 2004 – holds around half of the total value of the Maori fisheries assets and is estimated to be worth at least \$350 million. Maori interests now control over 33% of the industry through commercial rights.

A characteristic of industry change over the past few years has been the continued emergence of Commercial Stakeholder Organisations (CSOs). CSOs are companies set up to manage matters of

relevance to rights owners in particular fisheries. Currently, most commercial fisheries in New Zealand are represented by a CSO. Improved engagement of CSOs has allowed for greater integration of stakeholder views in the management of New Zealand's fisheries resource.

The New Zealand fisheries sector has been under economic pressure in recent times due to a strengthening New Zealand dollar against the US dollar. This economic pressure has led the industry to adapt and evolve its operations to maximise economic return. Industry developments in support of maximising economic return have included:

- strengthening relationships with overseas markets
- globalisation of New Zealand's fishing investments
- development of cooperative relationships with fishing industries in other countries
- use of foreign charter vessels to harvest fisheries resources domestically
- increased use of opportunities to fish on the high seas
- research and development into means of adding value to processed products.

Recreational fishing

Marine recreational fishing is a popular activity. Surveys indicate that up to 20% of the population engage in marine recreational fishing annually. Recreational fishing also contributes to the economy, through business for equipment suppliers, charter boat operators and tourist facilities. Research into the value of recreational fishing estimates the expenditure made by recreational fishers to catch five key recreational species to be nearly \$1 billion per annum. As the population concentration grows in areas such as Auckland there is increased pressure on the regional recreational resources.

The main recreational species are snapper, blue cod, kahawai, rock lobster, paua and scallops. Many of the species taken by recreational fishers are fished in competition with the commercial fishing sector. In a relatively small number of fisheries, such as the snapper fishery off the north-east coast of the North Island, and the blue cod fishery at the top of the South Island, recreational catch makes up a large proportion of the total catch.

A large number of charter fishing vessels operate in areas such as Hauraki Gulf and Marlborough Sounds. These are included in the recreational fishing category because they do not sell their fish, but rather provide transportation services.

Customary fishing

Customary fishing is exercised by tangata whenua (and others authorised by tangata whenua) for customary food gathering purposes. Customary fishing must be authorised and the take cannot be sold. The main species harvested for customary fishing are oysters, paua, mussels, rock lobster, and kina, as well as finfish such as eels, blue cod and snapper. In recent years, there have only been sufficient numbers of toheroa to sustain the customary harvest.

Fisheries management in New Zealand

Management of New Zealand's fisheries resources is governed under the Fisheries Act 1996. The Fisheries Act establishes a broad framework for managing customary, recreational and commercial fishing. The purpose of the Fisheries Act is to provide for the utilisation of fisheries resources while ensuring sustainability. Sustainability is defined to cover both the sustainability of harvest and the adverse effects of fishing on the environment. The Act is intended to facilitate the activity of fishing - it deals with fisheries resources that can be harvested and used sustainably either now or in the future.

In giving effect to the purpose of the Act, decision makers are required to take into account environmental and information principles, and to act consistently with the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992 and international obligations.

1992 Deed of Settlement

The Treaty of Waitangi guarantees customary fishing rights. Following successful claims by Maori before the Waitangi Tribunal at the time the QMS was introduced, the government entered into settlement negotiations to resolve the dispute between the Crown and Maori in relation to the fishing rights and interests of Maori 'guaranteed' under the Treaty and under s.88(2) of the Fisheries Act 1983.

An interim settlement was reached in 1989 (10% of existing commercial quota as at 23 September 1992 or its cash equivalent if quota was not available, \$10M paid by the Crown to the Commission no later than 31 March 1990 – These were under the Maori Fisheries Act 1989) and a final settlement in 1992. The Fisheries Deed of Settlement was enacted through the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992. The "legislation and the continuing relationship between the Crown and Maori would constitute a full and final settlement of all Maori claims to commercial fishing rights..." (Preamble paragraph viii). The 1992 Settlement provided for the transfer to Maori of 20% of the TACC of all QMS stocks in the QMS (current and future, with the exception of those stocks provided for in the Maori Fisheries Act 1989 – the 10% above) and funding to purchase a half share in the Sealord Group.

The status of customary non-commercial rights changed so they no longer have legal effect except to the extent that they are provided for in regulations made in accordance with the Settlement Act (s10(c)), recognising and providing for customary food gathering (to the extent that food gathering is not commercial in any way nor for pecuniary gain or trade).

In 2004, the Maori Fisheries Act was passed. The Act provides for the establishment of Te Ohu Kaimoana, a private trust, to allocate the assets transferred from the Crown through the Maori Fisheries Settlement to iwi. The Ministry of Fisheries continues to administer the Maori Fisheries Act and has ongoing obligations to provide 20% of any new QMS stocks to Te Ohu Kaimoana for transfer to iwi.

Sustainable utilisation

The objectives of utilisation and sustainability are achieved for commercially valuable fisheries through the Quota Management System (QMS), designed in the 1980s to address increasing domestic concerns around the over-fishing of some inshore species and to provide for the rationalisation of fishing capacity. Species comprising 95% of the total commercial catch are now managed in the QMS.

The Minister of Fisheries is required to establish sustainable catch levels for fisheries managed for harvest. For each stock a Total Allowable Catch (TAC) is set, either at the time of entry into the Quota Management System (QMS) or when the Total Allowable Commercial Catch (TACC) of an existing QMS stock, set under the Fisheries Act 1983, is varied. In most cases, the TAC is set with reference to maintaining the biomass at or above a level that can produce maximum sustainable yield. While the setting of sustainable catch limits, based on scientific research, continues to underpin sustainable stock management, efforts have increasingly focused on delivering ecosystem-based management. The TACC is a subset of the TAC, after allowances are made for non-commercial fishing interests and other sources of fishing-induced mortality.

Fisheries Plans

To improve the management of fisheries, the Minister may approve fisheries plans. The scope of fisheries plans may vary considerably; a plan may deal with one or more fish stocks; it may focus on particular areas; and it will generally cover a number of years.

The Ministry of Fisheries intends to use fisheries plans as a key tool for fisheries management in New Zealand. Fisheries plans will outline government, tangata whenua, and stakeholder objectives for managing specific fisheries resources and describe the management tools and services to realise the objectives.

Customary fishing

The 1992 Settlement Act obliges the Crown to recognise Maori customary non-commercial fishing rights and management practices. The Crown is also obliged to consult with tangata whenua about, and develop policies to help recognise, use and management practices of Maori in the exercise of non-commercial fishing rights.

The Fisheries Act provides all the customary (commercial and non-commercial) fisheries management tools and processes that are available to Maori in recognition of customary rights agreed in the 1992 Deed of Settlement, along with the taiapure provisions that formed part of the 1989 interim settlement.

Customary fishing regulations recognise and provide for customary food gathering by Maori, and the special relationship between tangata whenua and places of customary food gathering importance. The regulations provide a legislative framework for ensuring that customary fishing takes place under the management of tangata kaitiaki/tiaki, guardians, who have been properly appointed by, and are accountable to, the tangata whenua. The regulations do not remove the right of tangata whenua to catch their recreational limits under the recreational fishing regulations, nor do they provide for commercial fishing.

The customary fishing regulations also provide for the establishment of mātaihai reserves, being traditional fishing grounds and areas of special significance to tangata whenua. Kaitiaki for the mātaihai reserve manage all non-commercial fishing in the reserve through the making of bylaws.

Recreational fishing

The basic legal right underpinning recreational fishing is an access right to go fishing in the sea for personal use. Recreational interests are recognised in the Fisheries Act, which establishes an allowance for recreational take within the TAC, and provides for consultation with recreational interests before setting or varying a TAC or TACC.

The public access right is subject to restrictions under the recreational fishing regulations. At an individual level recreational fishing is managed through daily bag limits and a range of method

restrictions, size limits, and seasonal closures. Recreational catch cannot be sold. There are no reporting requirements for recreational catch.

Commercial fishing

The Quota Management System (QMS) is the primary fisheries management tool to provide for commercial utilisation of fisheries resources while ensuring sustainability. Under the QMS a TACC is set for a fishstock within a Quota Management Area. Quota Management Areas are species specific, and most correspond to one or more Fisheries Management Areas, shown in Figure 3. Individual transferable quota (ITQ) is fully transferable, subject to certain restrictions on aggregation and foreign ownership. ITQ gives rise to an annual catch entitlement (ACE) each year.

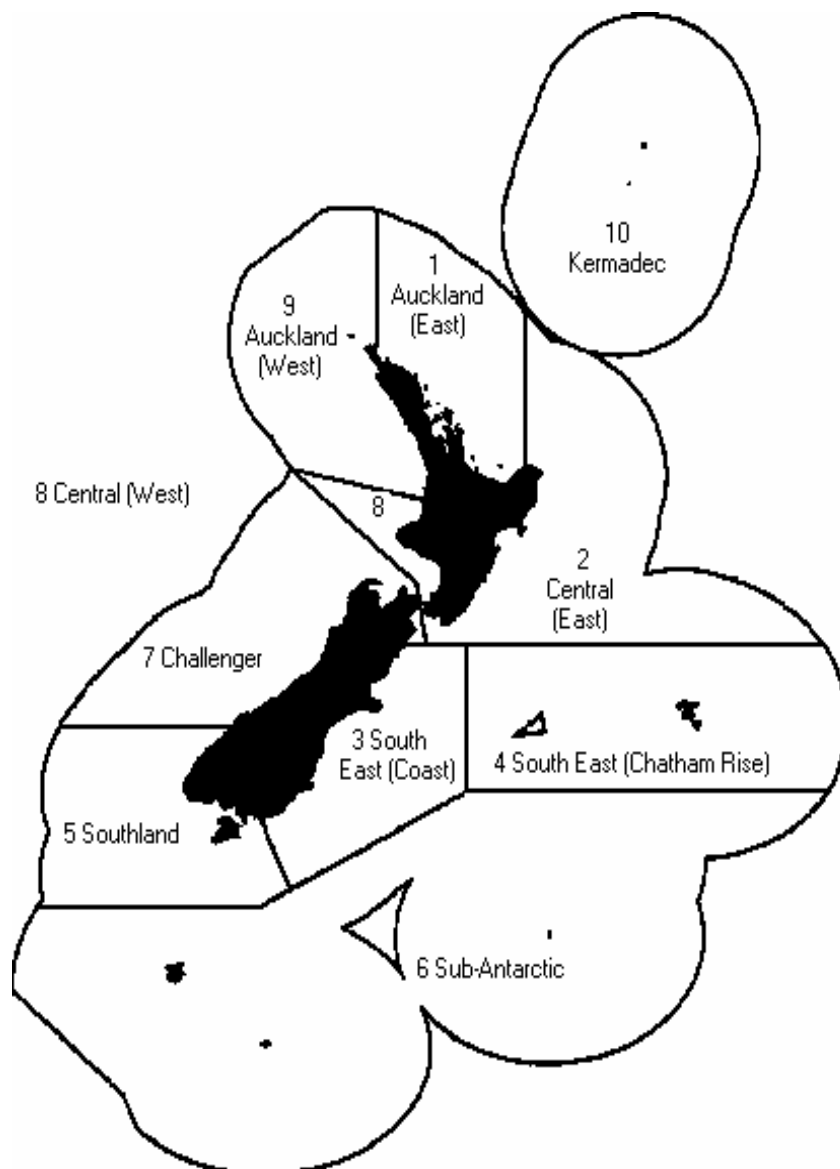
All commercial fishing requires a permit. For species within the QMS, there is an obligation to cover all catch with ACE. Commercial fishing is subject to a wide range of input controls and reporting requirements.

Some species continue to be managed outside the QMS. Until 1 October 2004, there was a moratorium on the issue of new permits for non-QMS species to control effort prior to introducing these species into the QMS. Changes effected in 2004 allow commercial fishers to target any non-QMS species not listed in Schedule 4C of the Fisheries Act 1996. Where sustainability or utilisation concerns arise in respect of any non-QMS stock, the stock will be considered for introduction into the QMS.

Catch balancing regime

The QMS relies on a catch-balancing regime that reconciles a fisher's catch against their catching rights. Until 2001, the catch-balancing regime was based on Individual Transferable Quota (ITQ) that was both the long-term catching right and the within-year fishing right. ITQ could be bought, sold or leased. Fishers were required to have ITQ to cover their catch before they took any fish, and it was a criminal offence not to have ITQ to cover catch. Defences to this offence were available to fishers, with a key element of all these defences being that any catch taken in excess of ITQ had to be taken as an inevitable consequence of taking other fish species for which the fisher did have a catching right. In practice it proved easy for fishers operating in a mixed species fishery to claim this defence, even where they were targeting species for which they had no catching right.

Figure 3. New Zealand Fisheries Management Areas



A new catch-balancing regime was implemented October 2001. Under the new regime the ITQ is a share of the TACC and it generates an Annual Catch Entitlement (ACE) designated in tonnes at the start of each fishing year. This ACE is allocated to the owner of the ITQ who can either use the ACE to cover their catch of the relevant fish stock or sell it to other fishers. There is no more leasing of ITQ or catching against another fisher's ITQ- the Fisheries Act only allows the buying and selling of ACE.

In most fisheries the only requirement before fishing is that a fisher hold a valid fishing permit. Permit holders must report their catch and are required to obtain ACE to cover their catch or pay the appropriate deemed value, a price paid per kilogram of catch for which the fisher holds no ACE. This provides fishers with the option of obtaining ACE before they go fishing, obtaining it after they have taken the catch, or pay the deemed value to cover their catch. In general, the deemed value is set at a level higher than the value of the catch to the fisher and is designed to encourage fishers to obtain ACE to cover catch.

The new catch-balancing regime represents a major shift from a criminal offence-based regime to an administrative regime based on economic incentives. It is no longer a criminal offence to catch in excess of ACE. The deemed value acts as the primary deterrent to fishers taking catch they will not be able to cover with ACE. If a deemed value is not paid, a fisher's permit is suspended and fishing without a valid permit is a serious criminal offence.

In effect, there is now an administrative regime nested within a criminal offence regime. Penalties for criminal fishing offences are very high including fines of up to \$250,000 and forfeiture of vessel and quota, and even the possibility of a jail term. Accurate reporting of catch is critical for the successful operation of the system and, therefore, misreporting is also a criminal offence.

Delivery of fisheries services

In meeting the obligations of the Fisheries Act, the Ministry of Fisheries performs a set of activities that combine to form New Zealand's fisheries management regime. In performing these activities, Government acknowledged that external service delivery organisations are often in a better position to more effectively perform some services. Whilst the provision of services could be contracted out, the Government decided that in some circumstances, responsibility for certain duties and functions could be fully devolved to approved service delivery organisations, with Government's role limited to monitoring the provision of that service against standards and specifications. The Minister of Fisheries is now able to transfer the responsibility to provide certain functions to external service providers. Since 2001 registry services have been provided by Commercial Fisheries Services (FishServe), an industry-owned company.

Cost recovery

New Zealand recovers from fishers certain costs associated with managing the resource. A set of principles and rules under the Fisheries Act determine whether, and to what extent, costs associated with managing fisheries can be recovered from the industry. The cost recovery rules limit cost recovery to the costs associated with fisheries and conservation services, such as research and registry services. Under this model, public good services in fisheries management, such as policy advice, are not cost recovered from the fishing industry.

Quota allocation

One of the more contentious aspects of the QMS is the quota allocation process. The Fisheries Act specifies how quota is allocated when a species is introduced in the QMS, with allocation being based on a fisher's catch history in the 1990/91 and 1991/92 fishing years. Nearly a decade on from enactment of the Fisheries Act, it was apparent that historical fishing years were becoming less representative of current catch levels and patterns, and that quota allocation issues were impeding effective management intervention.

Though allocations of quota for *some* species continue to be based on fishers catch history in the 1990/91 and 1991/92 fishing years, most new quota in the future will be distributed by tender. In future, when a stock is introduced into the QMS, 20% of quota will be allocated to the Te Ohu Kai Moana Trustee Limited (as required by the Fisheries Deed of Settlement and Maori Fisheries Act) and the Crown will dispose of the remaining quota through tendering for sale at a market value.

Non-QMS management permit moratorium

Some species continue to be managed outside the QMS. Between 1992 and October 2004, there was a moratorium on the issue of new permits for non-QMS species to control effort prior to introducing these species into the QMS. Changes effected in 2004 allow commercial fishers to target any non-QMS species not listed in Schedule 4C of the Fisheries Act. Where sustainability or utilisation concerns arise in respect of any non-QMS stock, the stock will be considered for introduction into the QMS.

The risks of unsustainable use due to the lifting of the permit moratorium are managed by way of a Schedule to the Act that lists species and stocks only accessible to those fishers who have lawful authorisations to target those species and stocks.

Managing highly migratory species

New Zealand is a party to a number of regional fisheries management organisations that manage utilisation of highly migratory species through implementing appropriate conservation and management measures. These organisations are increasingly providing for conservation and management through measures requiring signatories to manage their national catch or effort.

In order to use the QMS as a means of managing national allocations, the Fisheries Act has been amended so that it allows for the use of the QMS in waters outside of New Zealand's TS and EEZ. The first species to be managed under this regime will be southern bluefin tuna, a HMS for which New Zealand has a national catch allocation under the authority of the Commission for the Conservation of Southern Bluefin Tuna (CCSBT). Highly migratory species can only enter the QMS when the relevant species is subject to a national allocation or a management measure set by regional fisheries management organisation.

Protecting Biodiversity from the Impacts of Fishing

An increased focus on biodiversity and environmental outcomes is a characteristic of recent and planned developments in New Zealand's fisheries management regime. Recent initiatives include increased research on the environmental effects of fishing, development of a National Plan of Action to reduce seabird mortality, regulatory measures to address fishing mortality of Hector's dolphins, closure of 19 seamounts to trawling to protect for biodiversity, collaborative work with the Department of Conservation to improve the process for establishing marine reserves and other

marine protected areas, the recent approval and release of the Strategy for Managing the Environmental Effects of Fishing, and the approval of a draft Marine Protected Areas Policy.

Aquaculture Reform

Much of the growth in the fisheries sector seen during the 1990s came as a result of increased investment in aquaculture – particularly mussel farming. The overwhelming demand for marine farming water space highlighted the need for a more controlled planning regime and the need for better integration between coastal planning, aquaculture and fisheries management. This led the Government to develop a package of measures to reform the management regime for aquaculture.

These reforms came into effect on 1 January 2005. They enable the aquaculture industry to increase the contribution it makes to the national economy in a way that does not undermine the regime established for the sustainable management of fisheries, undermine Treaty settlements, or allow adverse effects on the environment.

Previously, water space was regulated through a combination of processes under the Resource Management Act 1991, the Marine Farming Act 1971, and the Fisheries Acts 1983 and 1996. These acts did not provide an integrated planning or decision-making framework to manage issues relating to the carrying capacity of the aquatic ecosystem. This lack of integration also prevented appropriate aquaculture development, particularly where greater benefit may be gained from the commercial use of water space by moving away from lower-value extractive fisheries to higher-value marine farming.

Under the reforms regional authorities have greater powers to manage and control the development of aquaculture. This is achieved by integrating aquaculture management with coastal planning activities and requiring new development to take place within designated Aquaculture Management Areas (AMAs). The establishment of AMAs can be initiated by regional and unitary councils or individuals via private plan changes. The reforms also remove much of the duplication characteristic of the previous regulatory regime as regional authorities now have sole responsibility for managing the adverse effects of aquaculture on the environment.

With the enactment of the aquaculture reforms, the Ministry of Fisheries has fewer responsibilities in aquaculture. The Ministry is however, required under the Fisheries Act 1996 keep a register of all fish farmers to impose restrictions in relation to the acquisition and disposal of farmed stock and determine whether proposed AMAs would have an undue adverse effect on fishing. The Ministry is also responsible for administering the Maori Commercial Aquaculture Claims Settlement Act. In addition, the Ministry continues to allocate rights associated with land-based (above mean high water) farms, through operation of the Freshwater Fish Farming Regulations 1983.

International fisheries

The 1982 United Nations Convention on the Law of the Sea (UNCLOS) is the centrepiece of international law governing states' rights and duties in relation to fisheries outside the territorial sea. The 1995 United Nations Agreement on the Straddling Fish Stocks and Highly Migratory Fish Stocks (1995 UN Fish Stocks Agreement) came into force on 11 December 2001. It provides a framework for implementing articles of the 1982 UN Convention relating to straddling stocks and highly migratory stocks. The agreement sets out conservation and management objectives for these stocks and clarifies the rights and duties of coastal States in their EEZs and the rights and duties of

other States fishing on the high seas. It affirms the role of regional fisheries management organisations as the means for co-operation to bring about conservation and management of these stocks.

Almost all other international fisheries arrangements acknowledge and are subordinate to the 1982 UN Convention and the 1995 UN Fish Stocks Agreement. Both provide a framework for regional fisheries arrangements. New Zealand is party to several such arrangements: Convention for the Conservation of Antarctic Marine Living Resources; the Arrangement Between the Government of New Zealand and the Government of Australia for the Conservation of Orange Roughy on the South Tasman Rise (STR); Convention for the Conservation of Southern Bluefin Tuna (CCSBT), and the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (WCPFC).

New Zealand fishers are involved in three distinct international fisheries; deep water and middle depth trawling; deepwater long lining; and tuna purse seining and long lining. These have been developed, initially at least, on the basis of the proximity of New Zealand to the resources concerned. New Zealand is close to the Ross Sea and sits on the doorstep to the largest tuna fishery in the world (Western and Central Pacific tuna fishery). New Zealand middle-depth and deepwater high seas fisheries development has also been based on the stocks found in the Indian and Atlantic Oceans, as well as closer to New Zealand in the Challenger Plateau, Lord Howe Rise, Louisville Ridge and South Tasman Rise.

As a consequence of this evolving international legal architecture, we expect opportunities for access to high seas resources will largely disappear over the next five to 10 years. The 1995 UN Fish Stocks Agreement has strengthened regional fisheries management organisations and access to high seas resources will be subject to the measures they establish. In addition to the agreements mentioned above, already there are organisations covering the management of highly migratory stocks in the Atlantic Ocean, Eastern Pacific Ocean, and Indian Ocean. For demersal species, organisations cover the Northwest Atlantic, Northeast Atlantic, and Southeast Atlantic oceans. Negotiations have recently been completed on an Agreement to cover non-tuna species in the southern Indian Ocean, and for non-tuna species in the South Pacific negotiations will begin in early 2006.

New Zealand government's involvement in these arrangements is twofold — enhancing economic opportunities while ensuring sustainability. We have a responsibility to prevent Southern Hemisphere fisheries undergoing the intense exploitation that is occurring with many Northern Hemisphere fisheries. At the same time, New Zealand must secure its economic interests in the fisheries covered by such arrangements to safeguard the availability of current and future economic opportunities.

New Zealand controls the high seas activities of our fishers using the Fisheries Act 1996. The Act sets out, among a range of things, a high seas fishing permit regime, a regime for the control of nationals, provisions that cover the discharge of monitoring and control requirements in the context of regional fisheries management organisations (e.g., boarding and inspection provisions), and a system of offences and penalties. High seas fishing permits are currently authorising the activities of about 50 New Zealand flagged vessels.

Trade Opportunities

The New Zealand fishing industry is heavily dependent on world markets for its financial viability. Improved access to overseas markets will therefore improve industry's economic performance. New Zealand stands to make significant gains from multilateral trade liberalisation negotiations taking place under the auspices of the World Trade Organisation (WTO). New Zealand is currently contributing to a study in the Organisation for Economic Co-operation and Development (OECD) that will contribute to the WTO negotiations for the trade liberalisation for fish and fish products.

With 88% of seafood by value being exported, trade initiatives represent an important focus for the New Zealand Government as a means of increasing the value New Zealand obtains from its fisheries resource. Efforts to liberalise trade through the development of Closer Economic Partnership agreements (CEPs) and the negotiation of new disciplines around fisheries subsidies will benefit the New Zealand fishing industry. These efforts present exciting opportunities to further develop export markets, add value to exports and balance the economic playing field of the international fisheries market.

Conclusion

Recent changes to the QMS have refined the system to enable better management of New Zealand's fishery resources. The changes introduced address problematic aspects of the system, and further contribute to the sustainable utilisation of fishery resources. Allocation of rights in shared fisheries remains the most contentious issue in the system, a characteristic that leads to litigation in the courts. This is unlikely to diminish in the future unless steps are taken to improve the framework for intersectoral allocation and provide better tools to enable non-commercial values to be met.

An increased environmental focus in the management of fisheries has developed in recent years. This focus parallels an increased global focus on environmental issues in the marine domain and pressure from an environmentally aware New Zealand public with strong interests in the marine environment. Environmental considerations in fisheries management in New Zealand are born out of the principles of the Fisheries Act and related environmental legislation that requires fisheries management to take account of the wider ecosystem in which fisheries exist.

The settlement of Maori claims to commercial and customary fishing rights now sees Maori as a major player in the New Zealand fishing industry, and provides a platform from which to greatly influence the future development of the industry. Since the Settlement Maori have increased their control of commercial fishing quota to over 33% of New Zealand commercial fishing rights.

Recent growth in the aquaculture industry has led the Government to develop a package of measures to reform the management regime for aquaculture. The purpose of the reforms is to enable aquaculture to increase the contribution it makes to the national economy, while not undermining the fisheries management regime and ensuring the adverse effects of aquaculture are managed.

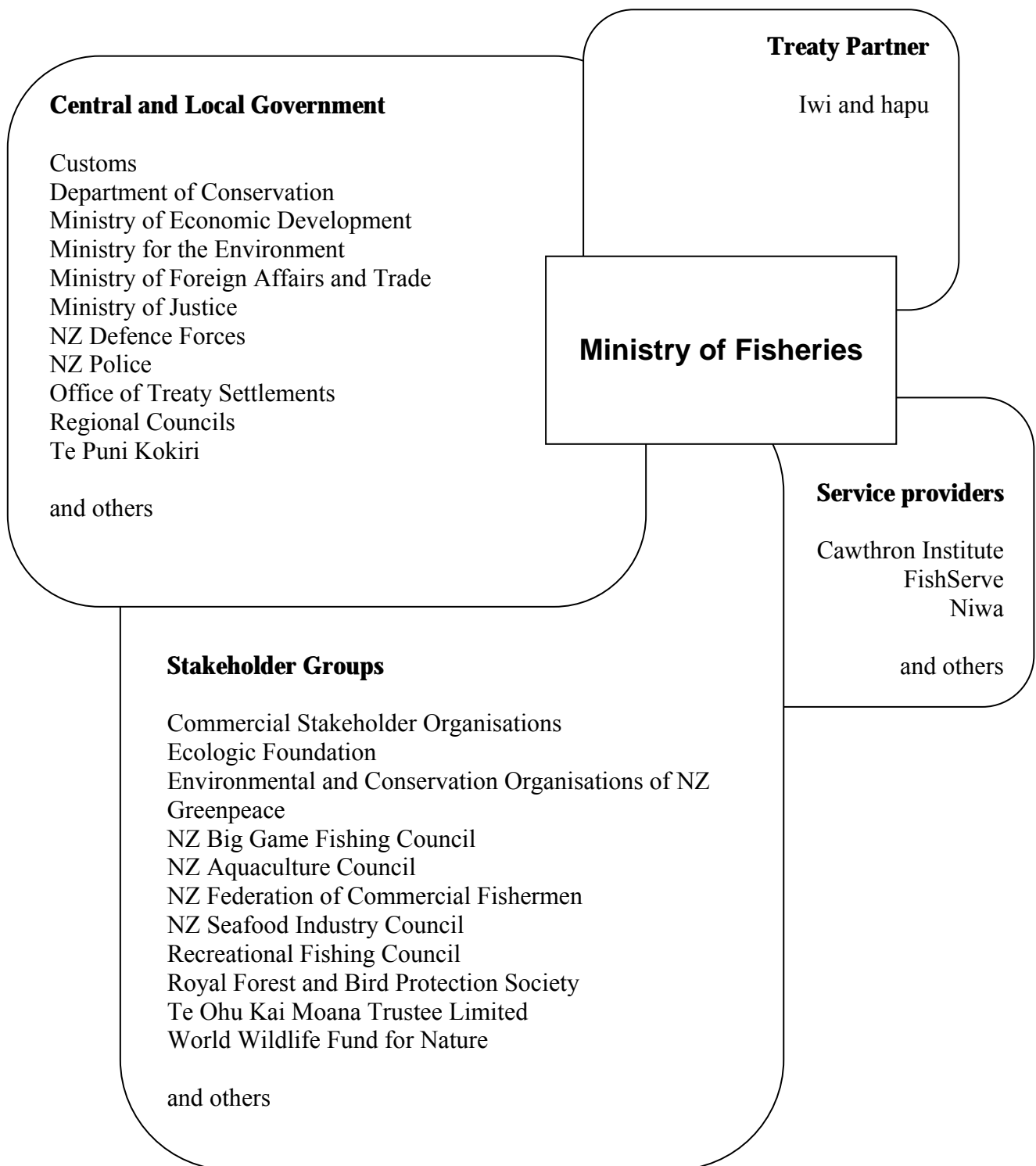
Domestically, New Zealand is at turning point in the management of its fisheries resources. The development and implementation of fisheries plans is directed at improving the opportunities for those who utilise fisheries resources to contribute to, and participate in, the management of the resource. However, a framework is needed to improve intersectoral allocation and provide for a wider range of values from fisheries if the value of fisheries is to be maximised.

The QMS remains the Government's preferred management tool, with the new fisheries management approach better directing the overall management of fishery resources. Paralleling the new approach to fisheries management is a Government effort at liberalising trade. These opportunities should provide for further opportunities for the New Zealand fishing industry to grow and for New Zealand to increase the value obtained from its fisheries resource, within the scope of sustainable use.

ANNEX 2 - EXTERNAL RELATIONSHIPS

The Ministry has a wide range of external relationships including other government agencies, Treaty partners, service providers and stakeholder groups. These relationships are summarised below.

Figure 4. External relationships



Government agencies

Department of Conservation (DoC)

DoC has a statutory function to advocate for conservation of natural and historic resources. It also has responsibility for marine reserves and protecting marine mammals and seabirds. The Chief Executive of DoC is a member of the Biosecurity Chief Executives Forum.

The Ministry works with DoC on operational advice concerning protected species interactions with fishing, and marine reserve proposals under the Marine Reserves Act. The views and input of DoC officials are often sought in the development of Ministry policy. DoC regional offices interact with Ministry staff at the local level on fisheries related issues. The Ministry administers the conservation services cost recovery levy process. DoC and the Ministry are working together on the Marine Protected Area Strategy.

A Memorandum of Understanding (MOU) formalises the departments' agreement to work together. It is directed at ensuring cooperation in a number of areas including protected species fisheries interactions, marine reserves, biosecurity risks, research and the nature and extent of fisheries and conservation services. Despite the MOU there is still unproductive tension between the agencies on some issues. Both Chief Executives are committed to improvement, and are establishing processes to ensure the departments work in a constructive manner to achieve the overall collective interests of government.

A Marine Reserve Protocol between the Ministry and DoC was implemented on 1 August 2003. The protocol serves to integrate the distinct roles that the two agencies have in promoting and evaluating marine reserve applications by DoC or non-government agencies. It outlines processes both departments will follow to promote open communication, integrity, and professionalism when dealing with each other. It also sets out steps that should ensure the statutory requirements of the Marine Reserves Act are met. The Ministry and DoC have also worked to coordinate research programmes related to the effects of fishing on the aquatic environment.

Ministry for the Environment (MfE)

MfE provides advice on the state of the New Zealand environment, the way environmental laws work in practice and actions necessary to improve environmental management. It administers the Resource Management Act and contributes to interdepartmental work on biological diversity and marine environmental issues.

MfE and the Ministry are working together on implementation of the recent aquaculture reforms and Oceans Policy. MfE also provides input on a range of fisheries policy issues.

Ministry of Foreign Affairs and Trade (MFAT)

The Ministry works closely with MFAT on international fisheries issues. Issues relate mainly to protecting and enhancing New Zealand's fisheries interests in global fisheries agreements, regional fisheries management, foreign licensing and market access. Although MFAT is the lead government agency on most international fisheries issues, the Ministry provides specialised technical support.

Ministry of Agriculture and Forestry (MAF)

The Ministry of Agriculture and Forestry (MAF) provides advice to the Government on agriculture, forestry, and biosecurity matters, including primary production and trade.

Two areas of MAF's responsibility of particular interest to the Ministry are its biosecurity role, due to the potential impacts of invasive species on management of fisheries, and its lead role in governance issues related to FAO and OECD.

The New Zealand Food Safety Authority is a separate organisation attached to the Ministry of Agriculture and Forestry. It administers legislation covering food (including seafood) for sale on the domestic market, primary processing of animal products and official assurances related to their export, exports of plant products and the controls surrounding registration and use of agricultural compounds and veterinary medicines. It is the New Zealand's controlling authority for imports and exports of food and food related products.

Biosecurity New Zealand work to achieve and abide by the Biosecurity Strategy, which was published in August 2003 by the Biosecurity Council. The Ministry of Fisheries supports this work by contributing to the development of improvements to the biosecurity system and by providing advice to Ministers on fishing-related impacts of biosecurity decisions. The Ministry also provides data management and contract management services to MAF following the transfer of marine biosecurity functions.

Ministry of Research, Science and Technology (MoRST) and Foundation for Research, Science and Technology (FoRST)

The Ministry works with MoRST and FoRST to determine research and funding priorities in fisheries research and minimise the overlap of research between funding organisations.

New Zealand Police

The Ministry has a Memorandum of Understanding with New Zealand Police that provides the formal authority for operational arrangements of mutual co-operation and assistance. In addition to the primary law enforcement and policing roles, sworn members of Police are deemed to be Fishery Officers under the Fisheries Act.

Active co-operation between the Ministry compliance business and NZ Police includes the provision of operational support in specific enforcement operations and training and development of personnel. Collaboration also occurs in other areas including health and safety of personnel, development and operation of new processes, systems and technologies, sharing of specialised skills/capacity and resources, and sharing of technology and information.

New Zealand Defence Forces

The NZ Defence Forces have responsibility for surface and aerial surveillance of the EEZ. The Ministry and the NZ Defence Force share information on offshore fishing operations to ensure that surveillance efforts are directed at the areas of highest risk and that fisheries related surveillance capacity is efficiently utilised.

The Ministry continues to support and participate in the implementation of the Maritime Patrol Review outcomes, including increased and improved aerial surveillance and the upgrading of the

Navy fleet. Along with other agencies with interests and responsibilities in the maritime environment, the Ministry contributes to the operation of the Maritime Intelligence Co-ordination Centre (MICC), established in 2001 at the Joint Defence Operations Headquarters at Trentham. A National Maritime Co-ordination Centre (NMCC) has been established, also at the Joint Defence Operations Headquarters, to co-ordinate all government maritime patrol requirements and delivery of surveillance and patrol services. The Ministry is an active participant in the working group and the operation of the NMCC.

Other

The Ministry works with Treasury, Te Puni Kōkiri, Office of Treaty Settlements, Department of Prime Minister and Cabinet, Ministry of Justice, State Services Commission, Ministry of Economic Development, Department of Labour, Environmental Risk Management Authority, and Customs on fisheries related issues as they arise.

Treaty Partner: relationships with tangata whenua

The Ministry interacts with tangata whenua on a number of different levels. This interaction will continue to increase. Treaty settlement processes often include fisheries matters. In addition we continue to implement the customary fishing regulations and have ongoing consultation obligations in the Fisheries Act 1996. Maori are now the largest players in New Zealand's commercial fishing industry. Tangata whenua can manage their non-commercial customary fishing activity through customary regulations. Maori are also substantial recreational fishers.

The Fisheries Act 1996 requires the Minister to provide for the input and participation of tangata whenua in sustainability decisions that affect their non-commercial interests. The Ministry currently consults with over 100 iwi and hapu on matters affecting fisheries. The Treaty Strategy, discussed earlier, is the major Ministry initiative directed at building better working relationships with tangata whenua, and improving the delivery of legislative obligations.

Te Ohu Kai Moana is the successor organisation to the Treaty of Waitangi Fisheries Commission, with responsibility to allocate settlement assets in accordance with the Maori Fisheries Act 2004. As assets are distributed to iwi the Ministry will include mandated iwi organisations.

External service providers

In 1999 the Fisheries Act 1996 was amended to enable more flexible delivery of fisheries management services. In October 2001, the Fisheries Act 1996 was fully commenced, bringing in major changes to the nature of some services and the method by which they are delivered. Many registry-based services are now devolved to SeaFIC as an approved service delivery organisation (ASDO) or provided under contract through FishServe as the service delivery agency (SDA). The Minister sets standards and specifications for devolved services, while the Chief Executive sets standards and specifications for contracted services.

Once functions, duties and powers are transferred to an ASDO the specific related services become the sole responsibility of the ASDO to deliver. Failure to comply with the statute and standards and specifications can lead to civil sanctions being imposed on the ASDO.

Functions, duties and powers that remain the responsibility of the Chief Executive can be delivered by the Ministry or by a SDA under a contract. In respect of fisheries research services, a fully contestable contracting process was introduced from 1 July 1997.

The two principal external service providers are FishServe and NIWA. The Ministry also has contracts with other providers for research services.

Cawthron Institute

Cawthron Institute is a private, independent, not-for-profit research centre based in Nelson. The Institute provides a wide range of basic research and specialist scientific advice for commercial clients. Specialist fields include aquaculture of shellfish and seaweeds, biosecurity issues, marine and freshwater science, and analytical chemistry and microbiology.

FishServe

SeaFIC was appointed the ASDO for delivery of registry-based services and statutory functions were transferred to it on 1 October 2001. Since then, Commercial Fisheries Services Limited, a wholly owned subsidiary of SeaFIC, assumed responsibility for delivery of registry services and the Ministry ceased to be involved directly in the delivery of services. Commercial Fisheries Services operates under the brand name 'FishServe'.

Functions, duties and powers devolved to SeaFIC include:

- registering clients and vessels
- licensing fish receivers
- issuing catch return books (excluding catch effort returns), returns management processes including electronic data transfer for statutory reporting (excluding catch effort)
- processing quota and ACE transactions, including mortgages and caveats
- catch balancing.

In addition to performance of devolved services, FishServe provides services under contract to the Ministry as a SDA. Functions, duties and powers contracted to FishServe include:

- delivery of catch effort services, including issuing return books and the returns management process
- issuing fishing permits
- registering foreign owned vessels, charter vessels, and fish carriers
- monitoring catch limits
- delivery of revenue services, including invoicing, receiving and debt management of cost recovery and deemed values.

NIWA

Research projects are let through a contestable tendering process where tenders are evaluated through an earned value basis, combining aspects of both quality and cost. Most contracts for fisheries research, in what is still a relatively 'thin' market, have been awarded to the National Institute for Water and Atmospheric Research Ltd (NIWA).

Aside from its research activities, NIWA also maintains, on behalf of the Ministry, the research databases and other research information.

Commercial Fishing and Aquaculture Sector

A number of organisations represent the fishing industry in New Zealand. There are also a number of companies or incorporated bodies that represent commercial interests of a particular fishery or a range of fisheries.

New Zealand Federation of Commercial Fishermen

This organisation primarily represents owner operators in the fishing industry.

New Zealand Seafood Industry Council (SeaFIC)

The NZ Seafood Industry Council is a company whose shares are principally held by commercial stakeholder organisations. The shareholders elect a Board responsible for managing the business affairs of the Company. The Board is responsive to advice from the Policy Council, a forum open to participants in the commercial seafood industry. In 1997 SeaFIC took over the majority of the activities mandated by the Fishing Industry Board Act 1963. Its primary role is the promotion and development of the New Zealand seafood industry.

New Zealand Fishing Industry Guild

This organisation represents the interests of those who work on fishing boats and in fish processing plants.

Commercial fishing stakeholder companies and associations

- Bluff Oyster Management Company Ltd.
- Area 2 Inshore Finfish Management Company
- Challenger Fin Fisheries Ltd.
- Challenger Dredge Oyster Management Company Ltd.
- Challenger Scallop Enhancement Company Ltd.
- Clam Stakeholders Association
- Coromandel Scallop Fishers Association
- CRA2 Rock Lobster Company
- Eel Enhancement Company Ltd.
- Hoki Fishery Management Company
- New Zealand Far Seas Tuna Fishers Association
- Northern Inshore Fisheries Company Ltd.
- Orange Roughy Management Company Ltd.
- Paua Industry Council
- Pagrus Auratus (snapper) Management Company
- Pelagic and Tuna New Zealand Ltd.
- Queen Scallop Fishery Stakeholders Group
- Rock Lobster Industry Council
- Scampi Fishery Development Company Ltd.
- Scampi Fishery Management Company Ltd.
- South East Fishery Management Company
- Snapper 8 Company Ltd.
- Squid Fishery Management Company Ltd.
- Tuna Management Association of New Zealand Inc.

New Zealand Aquaculture Council Inc

The New Zealand Aquaculture Council represents the collective interests of the New Zealand aquaculture industry. The shareholders of the Council are the NZ Mussel Industry Council, New Zealand Salmon Farmers Association, New Zealand Abalone Farmers Association, and the New Zealand Oyster Industry Association.

Marine farming stakeholder companies and associations

- New Zealand Abalone Farmers Association
- Coromandel Marine Farmers Association
- New Zealand Marine Farmers Association
- New Zealand Mussel Industry Council Ltd.
- New Zealand Oyster Industry Association
- New Zealand Salmon Farmers Association

Environmental Sector

The Ministry interacts with a number of environmental groups with strong interests in the sustainability of fisheries and the effect of fishing on the environment.

World Wide Fund for Nature

This is a science-based international conservation organisation. An independent science advisory committee oversees its research and policy programmes. WWF worked collaboratively with SeaFIC and the former Treaty of Waitangi Fisheries Commission to produce a guide to sustainable fisheries. The Ministry recently contributed \$30,000 towards publication of results from WWF's marine biodiversity workshops.

Ecologic Foundation

The Ecologic Foundation undertakes research, analysis and development of policy solutions for environmental sustainability. The Foundation has a strong interest in frameworks that provide for sustainable fisheries. Research and policy analysis generated by Ecologic is provided to central and local government, international bodies, business and commercial organisations in New Zealand, the Pacific and internationally.

Environmental and Conservation Organisations of New Zealand (ECO)

ECO represents 70 member organisations with a concern for conservation and the environment, and is involved in a number of Ministry processes, including the determination of fisheries services, research planning, and sustainability advice. A major interest for this group is in the provision for non-extractive use of fisheries.

Royal Forest and Bird Protection Society

This organisation represents 40,000 members in 56 branches around the country and has been an advocate for conservation and protection of New Zealand's natural resources since 1923. It is interested in marine reserves and issues relating to the protection of New Zealand's marine ecosystem.

Greenpeace

This is an international organisation with over 31,000 supporters in New Zealand. Its primary interest is the adverse effect of fishing on protected species and ecosystems.

Recreational Fishing Sector

Most marine recreational fishers do not belong to recreational fishing organisations. However, the following groups represent or advocate for segments of the sector.

Recreational Fishing Council Inc (NZRFC)

This is an umbrella group representing the Big Game Fishing Council and the NZ Underwater Association as well other national associations, regional associations and clubs throughout New Zealand.

Option 4

This group arose in response to an earlier Ministry attempt at reform in the recreational fishing sector. Option 4 has developed a web-based network providing input to issues concerning fisheries management and marine protection.

ANNEX 3 – BOARDS FOR WHICH THE MINISTER OF FISHERIES HAS RESPONSIBILITY

National Recreational Fishing Advisory Committee

This Committee was established in July 2005. The Committee's purpose is to provide advice directly to the Minister of Fisheries on strategic matters facing the recreational fishing sector. The focus of the Committee discussions is to improve outcomes for the recreational fishing sector, such as allocation, examining options to improve information generation and management, and capacity building. Membership of the Advisory Committee is detailed below:

Name	Location
Lorraine Hill	Russell
Kim Walshe	Auckland
Sheryl Hart	Raglan
Peter Ellery	Rotorua
Max Hetherington	Wellington
Geoff Rowling	Upper Moutere
Bob Meikle	Christchurch

Catch History Review Committee

The Catch History Review Committee is established under the Fisheries Act 1996 to hear and determine appeals against decisions by the Chief Executive in relation to allocations of provisional catch history or eligibility to receive provisional catch history. The Chief Executive's decisions are a precursor to allocations of quota when species are introduced into the QMS. Membership of the Catch History Review Committee is detailed below:

Membership	Location	Date of original appointment	Expiry date of present term
Mr T Castle (Chairman)	Wellington	28 Feb 1998	30 September 2008
Ms J Lowe	Christchurch	28 Feb 1998	30 September 2008
Mr J Boyack	Auckland	3 October 2003	30 September 2008
Mr J Marshall	Wellington	1 January 2005	30 September 2008

Taiapure-Local Fishery Management Committees

Once a taiapure-local fishery is in place, the Minister appoints a committee of management. The committee has the power to recommend the Minister make regulations to conserve and manage fisheries in the taiapure-local fishery. The terms of appointment of a committee are set out in section 184 of the Fisheries Act 1996. At present there are seven taiapure. The management committees are listed below.

Waikare Inlet Taiapure-Local Fishery (1997)

Roger Day	Robert Wilcox
Charlie Davenport	Albert George
Lorraine Hill	Tony Reti
Hau Tautari Hereora	Joseph George

Makatu Taiapure-Local Fishery (1996)

Harry Ponga	Clem Tapsell
Blackie McRae	Frank Mika
William Newton	Boy Corbett
Dean Watson	Wilie Emery
Pop Marsh	

Porangahau Taiapure-Local Fishery (1996)

Russell Bee	Manawakapa Simeon
Denzil Hokianga	Phyllis Tichinin
Jim Hutcheson	Tipene Tutaki
John McKee	Alan Wakefield
John Ormond	

Palliser Bay Taiapure-Local Fishery (1995)

Mr Haeta Gray Carter	Mr Norman Murray
Mr Leighton Hale	Mr David Skeet
Mr Haami Te Whaiti	Mr Ross Ward
Mr Thomas Taha Wilton	

Whakapuaka Delaware Bay Taiapure-Local Fishery (2002)

Taaku Parai	Les Hollyman
Fred Te Miha	Jan Martyn
Moetu Stephens	Dennis Richardson
Andrew Stephens	Barbara Stuart
John Mitchell	Ian Stuart
Carl Elkington	Nick Woods
Daryl Crimp	Andrew Newton
Phil Gully	Dennis Wells
Don Stanton	Bill Rzoska
Leicester Bull	Russell Mincher
Robert Snow	Peter Ballance
Bruce Hollyman	John Pattison
Carol Hollyman	John Pattison

East Otago Taiapure-Local Fishery (1999)

Roy Coombes	Alan Anderson
Kathy Coombes	Warren Lewis
Brendan Flack	Rua Hagan
John Ellison	Stephen Wing

Kawhia Aotea Taiapure-Local Fishery (2000)

No committee has been appointed as yet.

Akaroa Harbour Taiapure-Local Fishery (2005)

No committee has been appointed as yet.