

Aquaculture reform Questions and Answers

Why is the government reforming the aquaculture regime?

There are significant opportunities for the sustainable development of New Zealand's aquaculture industry. The government is committed, as part of its Economic Growth Agenda, to enabling that growth. It fully supports the aquaculture industry's goal of generating annual sales of \$1 billion by 2025, a three-fold increase on the current sales level.

This is about growing the economy, creating more jobs and getting more people into work, particularly in the regions.

No new aquaculture space has been created under the current regime, which came into effect five years ago. There is a lack of incentives for local government to plan for aquaculture space and for industry to invest.

What is the aim of the reforms?

The reforms comprise a package of initiatives to:

- Reduce costs, delays and uncertainty with the regulatory process for aquaculture by providing an efficient regulatory framework that enables the sustainable development of aquaculture;
- Promote investment in aquaculture development; and
- Enable integrated decision-making that balances aquaculture with other marine interests.

What are the proposed reforms?

The proposed reforms include:

- A more active role for central government which clearly signals the government's interest in and objectives for aquaculture. Initiatives include:
 - identifying a Minister with overall responsibility for aquaculture (the Minister of Fisheries and Aquaculture, Hon Phil Heatley);
 - establishing an aquaculture business unit within the Ministry of Fisheries to be the government's principal advisor on aquaculture and lead implementation of the reforms;
 - more effective use of current mechanisms including "call in" powers;
 - new measures to support sustainable aquaculture development including agreement in principle to establish a power for the Minister to amend regional coastal plans in exceptional circumstances where it is in significant regional or national interest.

- Reform of Resource Management Act planning and consenting processes for aquaculture to reduce costs, shorten timeframes, create certainty and build investment confidence, and enable councils to more readily adopt a strategic approach to managing demand for aquaculture space.
- A streamlined approach to the test that examines the effects of aquaculture proposals on existing wild-catch fishing to reduce costs ('Undue Adverse Effects on Fishing Test' or UAE), shorten timeframes and help the transition from commercial fishing to aquaculture if appropriate, while continuing to protect the interests of commercial, customary and recreational fishers.

What are the key measures to promote investment in aquaculture development?

The reform package aims to encourage investment in aquaculture by providing a clear role and framework for central government involvement, ensuring that national and regional benefits are considered in the decision-making process, and increasing investment certainty.

Specific measures include:

- Identifying a Minister responsible for aquaculture (the Minister of Fisheries and Aquaculture, Hon Phil Heatley).
- Establishing a branded aquaculture unit within the Ministry of Fisheries (through reprioritisation of existing budgets) to be the government's principal advisor on aquaculture and lead implementation of the reforms.
- Broadening the range of factors the Minister of Conservation may have regard to in deciding whether a proposal under the Resource Management Act is nationally significant and should be "called in" for national decision-making.
- Agreement in principle to establish a new regulation-making power to enable the Minister with overall responsibility for aquaculture to amend Regional Coastal Plans in exceptional circumstances where it is in significant regional or national interest.
- Developing a national aquaculture strategy and action plan to provide consistency, clear guidance and a unified programme of action for aquaculture development.
- Developing guidance material to help councils and the aquaculture industry operate effectively under the new regime.
- Requiring a 20-year obligatory minimum term for aquaculture consents; it is expected that most consents will be issued for between 20 and 35 years.
- Establishing a simplified and streamlined process for re-consenting existing aquaculture activity.

How will the reforms reduce cost, delays and uncertainty?

A central element of the reform package is the removal of the requirement that aquaculture activity must be located within Aquaculture Management Areas (AMAs) defined in Regional Coastal Plans. No AMAs have been created where aquaculture didn't already exist in the last five years. The proposed changes will mean that aquaculture consents can be applied for directly without the need to first establish an AMA.

Other elements of the reform package aimed to reduce cost, delays and uncertainty include:

- Extending the requirement for hearings panel members to be accredited, to support more robust consent decisions;
- Integrating the Undue Adverse Effects on Fishing (UAE) test as a step in the consent process, with, as far as possible, shared information and linked processing timelines and hearing processes;
- Limiting the information for UAE decisions to that which is available at a defined date;
- Allowing aquaculture applicants to register an Aquaculture Agreement with the relevant fishing quota holders before lodging an application for a UAE test, in which case a UAE assessment in respect of commercial fishing will not be undertaken for the relevant fishstocks;
- Enabling private plan change applicants to benefit from their effort by allowing them to apply for resource consent over up to 80 per cent of the aquaculture space created if their application is successful;
- Reducing the period before which an aquaculture consent will lapse if it is not used from five to three years, to encourage utilisation of space and limit speculation.

How will the reforms enable integrated decision-making?

The reform package includes a range of measures to integrate aquaculture management with other activities managed under the Resource Management Act and with activities managed under other legislation, particularly fishing. The measures include:

- Integrating the Undue Adverse Effects on Fishing Test or UAE test as a step in the consent process;
- Aligning appeal and review rights and timeframes for aquaculture resource consent and UAE decisions;

- Making fishing-related information held by the Ministry of Fisheries available to councils and applicants, subject to suitable protection of privacy and for commercial interests.

How do the reforms build on the Technical Advisory Group's report?

In July 2009 the Minister of Fisheries and the Minister for the Environment appointed an Aquaculture Technical Advisory Group, under the chairmanship of Hon Sir Doug Kidd, to provide independent and strategic advice on proposals for the reform of aquaculture legislation.

The Group's report was released in October 2009 and stakeholder consultation took place during November and December 2009. A total of 223 written submissions were received, from a wide range of stakeholder groups. The reforms largely reflect the Technical Advisory Group's recommendations and also respond to the submissions received and further analysis.

Are there further opportunities for input?

There will be more opportunities for input during the select committee process once legislation has been introduced. Officials will also be testing the revised regime with iwi and key stakeholders, at the same time as drafting the legislation.

What happens next?

An Aquaculture Reform Bill will be drafted. The Bill is expected to be introduced in mid-2010. There will be targeted engagement with iwi and key stakeholders to ensure the detail can be practically implemented.

Further Cabinet papers will be developed making recommendations on the implementation of the Māori Commercial Aquaculture Settlement under the new regime, on whether and how marine farmers may be charged in relation to the management of aquaculture, and on transition to the new regime.

The government is committed to delivering the Māori Commercial Aquaculture Settlement under the new regulatory regime and will consult with iwi and relevant stakeholders on ways this can be achieved.

Information on the proposed reforms will be added to the Ministry of Fisheries' website, www.fish.govt.nz, as the reform process progresses.