



Statement of Intent

For the period July 2008 to June 2013

Presented to the House of Representatives pursuant to section 39 of the Public Finance Act 1989

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■ Foreword

I am pleased to present the Ministry of Fisheries Statement of Intent for 2008 through to 2013. This Statement of Intent documents the Government's expectations of the Ministry of Fisheries and sets out the specific outcomes, both for our fisheries and fisheries stakeholders, the Ministry will contribute to over the next five years.

Wayne McNee commenced as the Ministry's new Chief Executive in January 2008. Wayne will focus on the long-term direction of fisheries management, the capability of the Ministry to deliver the Government's expectations, and balancing the harvesting of our fisheries with ensuring their sustainability and the integrity of our ocean and freshwater ecosystems. As one of his first tasks, he will lead the development of a long-term strategy for managing our fisheries.

The Ministry operates in a complex environment. Customary, recreational and commercial fishers and environmental interest groups all have different expectations and values for our fisheries. The different sectors can often value the same fish stock in quite different ways. Sometimes these different expectations and values can be in direct conflict.

Along with this complexity our fisheries are constantly changing. There are a large number of variables to take into account when making management decisions and we cannot simply count the number of fish in the sea or accurately predict how many young fish will be produced each year. Getting adequate information to make decisions that we can be sure are sustainable is extremely difficult and expensive. The best available information can be uncertain and is often interpreted in different ways by different groups.

Despite these challenges, I am confident we have a successful system for managing our fisheries. As we look to the future, fisheries management is evolving to include and involve all our stakeholders and take into account their aspirations through collaboratively developed fisheries plans. We are improving the environmental performance of our commercial fishing fleet through initiatives such as the Benthic Protected Areas and seabird protection measures. These aim to reduce the impact that fishing can have on the environment while minimising additional costs on the industry. We are working hard to assist our aquaculture industry to develop and achieve its goal of being a one billion dollar a year industry by the year 2025.

The key to achieving these goals, both for now and into the future, is to ensure our fisheries and our aquatic environment are healthy and sustainable. I believe that we have an excellent foundation in place and a solid work programme for the Ministry over the next five years that will move us towards these goals.



Hon Jim Anderton
Minister of Fisheries

■ Introduction from the Chief Executive

Fisheries resources are national taonga – fishing and fisheries contribute to New Zealand's cultural, social, economic and environmental quality and life. Key benefits of New Zealand's approach to fisheries management are:

Sustainable harvests: Most of our fisheries are harvested at a sustainable level. Strategies are in place to rebuild the few stocks known to be depleted. Major impacts of fishing on the aquatic environment are being managed.

A valuable seafood industry: The fishing and aquaculture industries are major export earners, employing over 7,000 people and contributing to economic activity through harvesting, processing, and servicing industries. This is achieved with minimal subsidies and with payment of cost recovery levies.

Resolution of customary fishing claims: The 1992 Fisheries Settlement resolved customary claims to fishing. Approximately 27 percent of commercial fishing rights are now owned by Māori, and measures to recognise customary non-commercial management practices are being implemented throughout the country.

A high quality and popular marine amateur fishery: Around 30 percent of New Zealanders participate in marine amateur fishing. The tradition of casting a line to try to 'catch a feed' is part of our national identity, and business activity related to amateur fishing makes a valuable contribution to regional economies.

The Ministry of Fisheries is responsible for advice and services that ensure sustainable use of New Zealand's fisheries. A critical part of our advisory role in the next few years will be to provide more leadership in the fisheries and aquaculture sectors, in particular:

- > Developing environmental standards for fishing.
- > Working with tangata whenua and stakeholders to develop and implement fisheries plans.
- > Leading the Government's role in the Aquaculture Strategy.
- > Working with communities to implement the Marine Protected Areas Policy.
- > Participating in settlement negotiations and implementation.
- > Working with iwi in regional forums and, over time, to develop iwi rohe moana management plans.
- > Developing a long-term fisheries management strategy, and associated outcomes and legislative reforms.

At the same time we will continue to deliver on the broad range of services that maintain the integrity of the fisheries management regime in New Zealand and the Pacific.

A key new area of leadership is the development of a long-term strategy for our fisheries. The first step is establishing a long-term vision that is understood and broadly supported by stakeholders and staff. This vision should guide the strategy's development in a collaborative process that will ensure the sector can be confident that the strategy takes into account all significant opportunities and challenges and secure support from stakeholders. Once developed, the strategy will guide our fisheries management initiatives over the medium term and provide sufficient certainty to encourage stakeholders to align their activities and investment with the vision. Legislative reform may be needed to support the strategy.

As the Chief Executive of the Ministry, I look forward to leading the sector and our team in the strategy development process.



Wayne McNee
Chief Executive

■ 2 Nature and scope of functions

2.1 Role

The role of the Ministry of Fisheries is to:

1. Be the Government's principal adviser on fisheries management.

In this role, we provide advice on policy and statutory decisions about New Zealand fisheries management and aquaculture, and in relation to New Zealand's position on international fisheries management.

2. Provide or purchase services to maintain the integrity of New Zealand's fisheries management regime.

In this role we:

- > provide compliance services, including education, enforcement and prosecution
- > provide observer services
- > purchase research and registry services
- > collect catch effort, area, method and other information
- > monitor delivery of contracted and devolved fisheries registry services.

3. Provide services to maintain the integrity of international fisheries management regimes in the Pacific.

In this role we provide compliance services to deter illegal, unreported, and unregulated fishing; and support the development of fisheries management capacity in Pacific states.

4. Discharge the Crown's obligations under the 2004 Māori Aquaculture Settlement.

The Ministry administers the following legislation:

- > Treaty of Waitangi (Fisheries Claims) Settlement Act 1992
- > Fisheries Act 1996 (and residual parts of the Fisheries Act 1983)
- > Fisheries (Quota Operations Validation) Act 1997
- > Māori Fisheries Act 2004
- > Māori Commercial Aquaculture Claims Settlement Act 2004.

We also administer many regulations related to managing fisheries within New Zealand and managing New Zealand fishing outside our Exclusive Economic Zone (EEZ).

2.2 Mission and values

Our mission is expressed by our Māori name, *Te Tautiaki i nga tini a Tangaroa*. Translated this means, *Guardian of the multitudes of Tangaroa*.

We are proud to be part of the New Zealand public service and will maintain the highest standards of professional behaviour. We will meet our obligations as public servants to be fair, impartial, responsible and trustworthy.

We recognise the status of Māori as tangata whenua. Our behaviour will be consistent with the responsibilities of the Crown as partner to the Treaty of Waitangi and our specific legal obligations under the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992, the Fisheries Act 1996, and the Māori Commercial Aquaculture Claims Settlement Act 2004.

Our values are:

- > **Integrity** – We are professional and widely trusted. We are honest and take responsibility. We strive to be open, transparent and impartial.
- > **Respect** – We respect each other, tangata whenua, stakeholders, the law, and the aquatic environment. We respect and value our role as guardians of our fisheries resources.
- > **Constructive relationships** – We understand the sector we work in and the needs and expectations of those we work with. We maintain constructive relationships, engaging effectively with others to achieve the best outcomes possible.
- > **Achieving results** – We approach our work with energy and drive, with a focus on achieving high quality results. We value teamwork and collaboration. We share information and recognise people's contribution to our goals.
- > **Continual improvement** – We embrace continual improvement in the pursuit of excellence. We are agile learners and actively develop our skills, knowledge and behaviours. We are committed to helping our people to be successful.

These values express what is important to us. They reflect how we feel about being Ministry people, how we treat others, and how we expect to be treated in turn.

2.3 Scope of operations

The Ministry employs some 450 staff throughout New Zealand, organised into six business groups. The scope of operations for each business group is shown below.

Business group	Scope of operations
Fisheries Policy	Providing policy advice; promoting legislative change, advising on Treaty settlements, and undertaking strategic planning.
International	Promoting sustainable use of international fisheries and advancing New Zealand's fisheries interests – including trade and fishing access.
Fisheries Operations	Providing operational and regulatory advice (including development of fisheries plans), developing standards, making various statutory decisions within approved legislative constraints, supporting iwi forums and recreational forums, implementing the Fisheries Deed of Settlement, and monitoring of contracted registry services.
Fisheries Sciences	Gathering and analysing information about New Zealand's fisheries, fishing, and marine biodiversity through contracted research services.
Fisheries Compliance	Promoting compliance through education, liaison, surveillance, monitoring, investigation, and prosecution.
Corporate Services	Providing services to support the Ministry and to discharge the Crown's obligations under Māori Commercial Aquaculture Claims Settlement Act 2004.

2.4 Limits or constraints

In performing our functions, the Ministry faces a number of significant limits or constraints. These are outlined below:

- > Information limits – management decisions may need to be taken without full information on the state of fisheries or the consequences of management actions, due to inherent difficulties and costs of research.
- > Deficiencies in the legal framework – including poor integration with other aquatic resource legislation, barriers to precautionary decision-making and managing for best value, and inadequate incentives for stakeholders to invest in cooperative approaches to manage fisheries.
- > Need for improved stakeholder engagement – stakeholder involvement is critical to:
 - > promote voluntary compliance by securing support for, or understanding of, management measures
 - > reveal value-adding initiatives or opportunities.
- > Need for long-term focus – successful management requires long-term investment to:
 - > restore depleted fisheries or damaged habitats
 - > collect relevant time series data
 - > build confidence with stakeholders and between stakeholder groups
 - > build capacity within sector groups for effective engagement.
- > Need to build constructive stakeholder relationships and improve Ministry and stakeholder capacity.

In addition the Ministry must work within the limits of its fiscal constraints. The Fisheries Act 1996 and the Fisheries (Cost Recovery) Rules 2001 provide for the costs of certain services to be recovered from the commercial fishing sector. The amounts recovered are between \$30 million and \$35 million each year. Principal services that are subject to cost recovery are fisheries research, observers, commercial fisheries compliance, registry services, and permit approvals.

3 Strategic direction

3.1 Contribution to government priorities

The government's priorities are economic transformation, families – young and old, and national identity. As a natural resource department, the Ministry has a role to play in the economic transformation and national identity priorities.

3.1.1 Economic Transformation

The Ministry contributes to two economic transformation sub-themes:

- > improving the sustainable use and management of natural resources
- > increasing the international connection of firms.

In the area of economic transformation, we will:

- > Manage New Zealand fisheries to support a globally-competitive, sustainable fishing industry.
- > Seek improved international market access for New Zealand seafood through reduction of trade barriers and encouraging certification of product from sustainable fisheries and aquaculture.
- > Promote and support the development of sustainable aquaculture.
- > Establish, and give effect to, environmental performance standards for fishing.

3.1.2 National Identity

The Ministry contributes to five national identity sub-themes:

- > recreation, conservation and the environment
- > reconciliation
- > promoting effective international rules
- > rules-based systems that support security and prosperity and promote New Zealand values
- > eliminating poverty through development partnerships.

In the area of national identity, we will:

- > Provide for amateur fishing values.
- > Work with the Department of Conservation and communities to implement the Marine Protected Areas Policy.
- > Work with iwi to deliver on our Treaty and settlement obligations in relation to fisheries and aquaculture.
- > Support settlement negotiations.

- > Promote responsible fishing in the Pacific and high seas.
- > Build capacity in fisheries management in Pacific Island nations.
- > Deliver services to promote compliance with fishing rules in the commercial, amateur and customary sectors, and to deter poaching and black market operations.

3.2 Strategic goal and outcomes

The Ministry's goal is to:

Maximise the value New Zealanders obtain through the sustainable use of fisheries resources and protection of the aquatic environment.

The Ministry wants individuals and groups to be able to maximise the value they get from fishing. That fishing must take place within the limits that are established to ensure the greatest value is obtained for New Zealand – both now and in the future. The word “value” covers the full range of values derived from use of fisheries, including economic, social, and cultural values.

A large part of fisheries management involves influencing the behaviour of fishers. In the past, individuals' choices on how to use fisheries led to overexploitation and, as a result, a loss of potential value. The system we have now uses a range of measures to encourage fishers to act in ways that will achieve desirable social, economic and environmental outcomes. It is important that fishers have confidence in the integrity of the process to accept the constraints and incentives needed to achieve the overall management objectives.

Confidence will come if the management system provides certainty to stakeholders, is adaptable in the light of new information, and if stakeholders find it effective and reasonable.

The outcomes we have identified to achieve our goal are consistent with the purpose of the Fisheries Act 1996 and contribute to achieving the Government's economic transformation and national identity priorities. These outcomes are:

- > The health of the aquatic environment is protected.
- > People are able to realise the best value from the sustainable and efficient use of fisheries.
- > Credible fisheries management.

The outcomes depend on the contributions from tangata whenua, stakeholders and the Ministry. Success depends on building effective working relationships with tangata whenua and stakeholders. It also depends on these groups being able to represent their interests while acknowledging legitimate interests of other sectors.

To assist with this, we will:

- > Continue to build the capacity of the non-commercial and commercial sectors to take part in fisheries management processes, including consultation.
- > Implement a collaborative approach to fisheries management, including development of fisheries plans.
- > Continue to develop monitoring and reporting systems to promote transparency and provide improved accountability.

Achievement of these outcomes also depends on the availability of high quality and timely information on the status of fisheries and the objectives of users.

The outcomes used in this Statement of Intent (SOI) will be reviewed in 2008/09 as we develop a revised Fisheries Strategy out to 2030.

■ 4 Operating intentions

A key part of the Ministry's approach to achieving our goal is the outcomes framework we are using. An outcomes framework helps organisations set out the results desired from management, and demonstrate how particular management actions contribute to achieving those results. This section provides details about the role of the Ministry in achieving each outcome and the indicators of success.

Outcome 1: The health of the aquatic environment is protected

What are we seeking to achieve?

This outcome covers the Fisheries Act 1996 obligations to ensure sustainability (including maintaining stock levels and managing the adverse effects of fishing on the aquatic environment), promoting sustainable fishing in international fisheries, and working with other agencies to address impacts on the environment and fisheries resources not caused by fishing.

What will we do to achieve this?

1. Provide frameworks and incentives to improve environmental performance of fisheries

This role includes improving legislative and policy frameworks, such as the Fisheries Act, and developing new management tools to improve environmental performance. Where practical, we aim to give stakeholders incentives to develop innovative ways to meet the required fisheries environmental standards. Fisheries plans allow tangata whenua and stakeholders to do this. Cost recovery provides incentives for commercial fishers to change fishing practices which have adverse effects on the environment. Beyond the Exclusive Economic Zone (EEZ), the Ministry promotes policy and governance arrangements to ensure sustainable management of high-seas fisheries and works with international fora to eliminate subsidies that lead to over-capacity.

2. Set standards for environmental performance of fishing

Fishing can adversely affect the aquatic environment, such as by incidental capture of seabirds or mammals or disturbance of seabed communities. Effective management requires environmental fisheries standards to be set and achieved. Standards should help achieve this outcome by defining the acceptable level of risk to the aquatic environment from fishing impacts, and the acceptable level of impacts of fishing on stocks. In setting standards, we need to consider biological limits, uncertainty in information, society's views on current use (including tangata whenua and stakeholder views) and the needs of future generations. Standards will be consistent with legislation and will be enhanced over time. Standards will be implemented consistent with the precautionary approach. Monitoring and review of performance against standards is also needed so that changes can be made if new information comes to light or if the standard is not having the expected result.

3. Ensure environmental rules are met

Rules are intended to influence fisher behaviour so standards and higher level outcomes can be achieved. Most rules for fisher behaviour are in the form of regulation. An effective compliance regime achieves a desirable level of compliance; an efficient one achieves that goal at least cost using a combination of incentives and penalties. Since self-control is the cheapest form of enforcement, any compliance regime should aim to obtain the desirable level through voluntary compliance, wherever practical. Education and information may encourage fishers to keep within limits, but penalties (usually fines imposed by the Courts) will always be needed to ensure some standards are met.

4. Contribute to processes that reduce impacts not caused by fishing

The Ministry works with other agencies – mainly Department of Conservation, Ministry for the Environment, and regional councils – to ensure that action is taken to reduce adverse impacts on the environment that are not caused by fishing, and to reform policy and legal frameworks with the aim of improving the

management of such impacts. Sedimentation and pollution can have a direct and detrimental effect on the productivity of fisheries. In addition, there are factors other than fishing that contribute to adverse outcomes, such as declining populations of protected species. We work to ensure that fishing is not severely restricted without also attempting to control other activities that contribute to these adverse outcomes. Information on fisheries resources may also be useful in setting measures to manage non-fishing activities, both domestically and internationally.

How will we demonstrate success?

The primary performance measures for this outcome are:

1. The percentage of stocks in the quota management system that are at or above target level is increasing.
2. Fishing-related mortality of protected species – including sealions, fur seals, seabirds, and dolphins – is declining or below agreed limits.
3. A representative range of New Zealand's marine habitats and ecosystems is protected from impacts of fishing by 2020.
4. All fisheries plans describe how relevant environmental standards will be met and include monitoring programmes to measure achievement.
5. Conservation and management measures, consistent with any fisheries sustainability standards set by the International Standards Organisation (or, in their absence, consistent with any relevant standards adopted in New Zealand), are adopted within five years (by 2013) by all Regional Fisheries Management Organisations (RFMOs) in which New Zealand is an active participant.

Outcome 2:

People are able to realise the best value from the sustainable and efficient use of fisheries

What are we seeking to achieve?

This outcome describes the ability of the current generation to obtain the best value from available fisheries resources, while recognising the need to protect the diversity and capacity of the environment and provide for the needs of future generations. Achieving best value for the current generation requires restricting fishing activities to share the available resources in a way that creates the greatest value for the nation as a whole. Values of commercial, amateur and customary fishers differ, both at the group and individual levels. Different types of value cannot be compared easily. Decisions to constrain individuals' access are made by the Minister, Cabinet and Parliament, and the Chief Executive.

What will we do to achieve this?

1. Recognise the full range of values

Value is generated in many ways. It includes value gained from a thriving seafood industry, from the pleasure of fishing for recreation, and from customary fishing. Value is also gained from non-extractive uses such as viewing a healthy aquatic environment. Best overall value is achieved when available fisheries resources are used by those who obtain the most value from them. To obtain the overall best value the Ministry must recognise the full range of values and understand how they are generated. More research is needed to better understand these values. We will work with tangata whenua and stakeholders to develop fisheries plans with objectives that reflect the value they obtain from specific fisheries. We will also help iwi to develop rohe moana plans that reflect their values and aspirations.

2. Achieve best value across fishing sectors

To achieve best value from fisheries resources requires the transfer of some harvest rights between the commercial, customary and amateur sectors, and a process that ensures aquaculture takes into account the consequences for fishers. There is currently no mechanism by which stakeholders can adjust levels of access to fisheries between sectors. Instead, adjustments between sectors can only be achieved through the Minister's decisions on sector catch limits. Greater tangata whenua and stakeholder involvement in fisheries management, particularly through fisheries plans, will allow stakeholders to develop proposals on how to obtain best value from their fisheries including, where possible, proposals on how available catch should be allocated between sector groups.

Information on the value of fisheries to the customary and amateur sectors is generally poor, making allocation decisions difficult. This creates uncertainty for all concerned and reduces incentives to invest in increasing value from fisheries. Improved information on the values and current catch of the customary and amateur sectors will enable consideration of the cost and benefits of alternative management decisions. Information on customary catch is improving as the customary regulations are adopted by iwi. Such information can assist in making allocation decisions that achieve best value. It is also necessary to review the access and allocation framework for shared fisheries.

3. Achieve best value within each fishing sector

It is important that fishers limit their take to what has been allocated to them. Overfishing causes problems and reduces the value that can be gained by everyone from a fishery. For a limit to be effective there must be appropriate incentives and penalties to motivate fishers to keep within the limits. Increasing the knowledge we have about levels of participation (fishing effort) and catch for all sectors, and levels of compliance will help with overall management.

The Ministry wants amateur, commercial and customary fishers to be able to get the greatest value from the harvesting of their share of a fishery. Through the Quota Management System, individuals can buy or sell commercial fishing rights. Trading allows commercial fishing rights to be transferred to individuals who are likely to be able to generate the most value. While there is a need for regulations to manage a fishery, the Ministry wants to adopt least-cost interventions, and provide incentives for the commercial sector to choose their own least-cost ways of meeting requirements.

For amateur fishers, the amount of fish taken depends on the number of people fishing, how often they fish, and the abundance of the fish stock. Individual daily bag limits and restrictions on fishing methods help to control the amount of fish taken. To help maximise the value of amateur fishing the Ministry is working to improve information on catch and values, provide a wider range of statutory tools, and support the establishment of representative organisations which can engage with us and other stakeholders on management initiatives.

Customary fishing is managed by tangata tiaki and tangata kaitiaki. The amount of fish harvested depends on the number and type of fishing authorisations granted for customary purposes, which in turn is influenced by the state of the fishery and the management objectives of the tangata tiaki/kaitiaki. To help maximise the value of customary fisheries, work is underway to assist iwi and hapū to identify their aspirations for management of fisheries within their rohe, and to facilitate the appointment and training of kaitiaki and implementation of the customary regulations.

The Fisheries Settlement of 1992 and the Commercial Aquaculture Settlement of 2004 established a basis for settlement of outstanding Treaty claims. Resolution of these claims will, over the long term, deliver resources to iwi and enable them to participate in fisheries management and aquaculture. In addition, foreshore and seabed negotiations and settlement of individual historical Treaty claims may give rise to iwi-specific management arrangements implemented through the Fisheries Act.

4. Contribute to New Zealand's economic transformation

Increasing the value achieved from fisheries can also be achieved through the Government's economic transformation agenda. The Ministry contributes to the economic transformation sub-themes and related sustainability initiatives. Sustainable aquaculture development and environmental certification are two issues being given particular attention.

5. Provide other opportunities to increase value

Opportunities to increase value from fisheries can come from increasing the benefits obtained from fishing, or by reducing costs. The Ministry believes stakeholders are well placed to identify how benefits from fishing can be increased and costs reduced. Development of fisheries plans allows stakeholders to identify ways to increase value from their use of fisheries.

We also work with the fishing industry to advance New Zealand's fisheries interests beyond the New Zealand EEZ. We participate in international negotiations aimed at reducing trade barriers to seafood or securing New Zealand access to international fisheries. We become involved in these activities because only the government can represent New Zealand's interests at international negotiations.

In addition we work with other government agencies to reduce the impact of other activities on the productivity of fisheries, and ensure decisions about different uses of the marine environment promote the greatest overall benefit to New Zealand.

How will we demonstrate success?

The primary performance measures for this outcome are:

1. Fisheries plans show transparent links between management interventions and management objectives. Government interventions used are either least-cost options or are agreed to by representative stakeholder groups.
2. Fisheries plans for shared fisheries have stock management and allocation strategies designed to increase value over the period of the plan, and explicitly consider non-commercial values. Preferably these strategies would be agreed by stakeholders.
3. RFMOs are established and operating for high seas fisheries of major interest to New Zealand and allocation of access to high seas fisheries reflects, as a minimum, the level of New Zealand's participation in those fisheries.
4. Non-commercial settlement obligations are met by supporting iwi who choose to use customary management tools in areas of special significance.
5. The Ministry develops measures designed to support increasing the annual value of aquaculture production.
6. Between 2009 and 2012, the number of New Zealand fisheries with environmental certification increases.
7. The Crown's obligations under the Māori aquaculture settlement are completed by 31 December 2014.

Outcome 3: Credible fisheries management

What are we seeking to achieve?

The Ministry's aim is to ensure New Zealanders have confidence in our fisheries management system, and that stakeholders are able to participate effectively in fisheries management processes.

Government has an essential role in fisheries management. It must manage fishing-related issues, in particular setting limits to adequately protect the environment. It is also responsible for international and Treaty of Waitangi obligations. In addition, certain enforcement powers can only be exercised under the authority of government. However, effective engagement with stakeholders is also essential to secure better value from our fisheries.

What will we do to achieve this?

1. Develop credible management frameworks to support achievement of fisheries outcomes

The Ministry advises the Minister on legislative, regulatory and policy reforms to improve the value obtained from New Zealand fisheries. Advice needs to be of high quality. This requires clearly identifying the problems to be addressed, making effective use of available information including input from stakeholders, and considering implementation issues. We also work on whole-of-Government initiatives and initiatives led by other agencies to ensure that fisheries interests are appropriately taken into account. At an operational level we operate consistently and transparently, making decisions based on best available information.

2. Act in accordance with Treaty principles

The Ministry must act in accordance with Treaty principles: the principle of partnership; the principle of active protection; the principle of redress. We must act reasonably, honourably, and in good faith, and make informed decisions. Acting in this way will strengthen relationships with Māori and assist in achieving the fisheries outcomes.

3. Involve tangata whenua and stakeholders in fisheries management

Effective engagement with tangata whenua and others with an interest in fisheries management is important to our credibility. Stakeholders should have an increasingly important role to play in other areas of management such as providing input to decision-making and setting standards. Their involvement in fisheries management increases their understanding of the process and willingness to commit to actions and strategies that will deliver long-term benefits.

Constructive engagement requires the Ministry to focus on relationship management, communication, and building tangata whenua and stakeholder capability to participate effectively in management processes. Through engagement, all sector representatives can discuss issues of concern and options to resolve those issues. Multi-sector forums will focus particularly on developing fisheries plans.

The Ministry interacts with tangata whenua on different levels. Māori are major players in New Zealand's commercial fishing industry and active amateur fishers, as well as customary fishers. We engage with around 80 iwi and a far larger number of hapū on matters affecting their fishing interests. The Ministry has ongoing obligations to provide for the input and participation of iwi and hapū in sustainability decisions that affect their non-commercial interests. Our Treaty Strategy aims to build better working relationships with tangata whenua, and improve the delivery of settlement obligations.

4. Implement objectives-based management

Fisheries plans are being used to set objectives for fisheries and develop transparent links between the objectives and the management strategies proposed for the fishery. All fisheries plans are constrained by the requirement to ensure that fishing is sustainable. It will take up to five years (2012) to complete fisheries plans for most fisheries.

Developing a fisheries plan involves:

- > working with tangata whenua and stakeholders to determine management objectives that best meet their aims, while achieving standards
- > using risk assessment to identify key management issues and assessment of costs and benefits to evaluate alternative management strategies
- > specifying management strategies (rules and interventions) and services (eg research and enforcement) to achieve the objectives and meet relevant standards
- > developing an operational plan including assigning responsibilities for implementation.

Once developed, a fisheries plan will help prioritise Ministry resources and will guide our advice to the Minister on proposed management measures and purchase or delivery of services for the fisheries covered in the plan. The plan will provide a basis for monitoring progress against objectives, and reporting on performance against standards. Fisheries services will be aligned with and across fisheries plans, enabling the Ministry to move to a more cross-business group approach to deliver services effectively and efficiently.

Fisheries plans are an important mechanism to improve stakeholder involvement in fisheries management in New Zealand. Fisheries plans will, in most cases, be developed by the Ministry in collaboration with relevant stakeholders. Our role is to:

- > facilitate tangata whenua and stakeholder consensus on objectives for the fishery
- > ensure that the objectives and management strategies are consistent with the fisheries outcomes and relevant standards.

Tangata whenua and stakeholder groups may also take the lead in developing a fisheries plan. In this case, the Ministry will evaluate whether the objectives and management strategies are consistent with standards, assess the priority of any services required from government, and apply the cost recovery rules as relevant.

5. Monitor and report on performance of fisheries

Tangata whenua, stakeholders and the public need to have confidence that management decisions are properly implemented and that performance is monitored and reported upon. Monitoring helps assess whether, and how, fisheries management is contributing to New Zealand's social, economic and cultural well-being, and environmental sustainability. Monitoring includes identifying appropriate performance indicators, and collecting and managing information required to assess and report on performance. The three main areas where monitoring can most effectively be used to evaluate management performance are outcomes, standards and fisheries plans objectives.

6. Promote sound fisheries management internationally

The Ministry actively engages in the work of multilateral organisations. These include the Organisation for Economic Co-operation and Development (OECD), the United Nations Food and Agriculture Organization (FAO), and a number of Regional Fisheries Management Organisations (RFMOs). New Zealand works to promote effective fisheries management policies and practices through strong governance arrangements, good science, allocation of access, and monitoring, control and surveillance to tackle illegal, unreported and unregulated (IUU) fishing. We also work with Pacific Island countries to assist them in developing effective fisheries management regimes.

How will we demonstrate success?

The primary performance measures for this outcome are:

1. Voluntary compliance is increasing, as measured by the ratio of inspections to the number of offences detected, with the following targets:

Commercial fisheries	Compliance level
> Vessel inspections (at port, at sea, landings)	≥ 80%
> Licensed Fish Receiver inspections	≥ 85%
> Monthly Harvest returns monitored, and unfurnished and late returns followed up	≥ 90%
Non-commercial fisheries	
> Inspections (vessels, vehicles and persons)	≥ 90%
Poaching and black market activities	
> Dealer in fish inspections	>80%

2. Fisheries plans have objectives and management strategies developed by multi-stakeholder fisheries plan advisory groups, ideally supported by all members.
3. All iwi have access to a regional forum.
4. Stakeholder and public confidence in the management of New Zealand fisheries is increasing, as measured by independent surveys.
5. The cost of management relative to value of production is similar to, or lower than, comparable jurisdictions.
6. Performance of fisheries management is monitored and reported, including achievement of objectives in fisheries plans, achievement of fisheries outcomes, and performance against standards.

■ 5 Managing in a changeable environment

Strategic and external risks

Strategic decision-making involves balancing strategic risks. Work that began in 2007 will see our strategic decision-making continue to improve. An organisation strategic risk management framework, and associated assessment, mitigation and monitoring processes, are being established and implemented.

We also consult regularly with tangata whenua and stakeholders and their feedback is an important check and balance on directions and decisions.

The fisheries sector faces externally-driven strategic risks associated with:

- > climate change – and its potential to affect productivity of fisheries as well as the potential cost of meeting emission targets
- > trade barriers – particularly growing concern about the environmental footprint of production and trade
- > the lack of an integrated approach to managing ocean resources.

Managing these risks requires whole-of-Government initiatives. The Ministry takes part in these, particularly through the Sustainability agenda and ongoing work on Oceans Policy and other marine sector reform.

Risks, drivers, and risk management strategies in relation to each of our major outcomes, are set out below.

Outcome 1: Protecting the environment

Risks to achieving protection of the environment relate to:

- > overfishing of target stocks
- > adverse impacts of fishing on the ecosystem.

These risks arise primarily from:

- > insufficient or inaccurate information on catch and the impact of fishing on stocks and the environment
- > uncertainty in estimates of stock abundance
- > non-compliance, in particular uncertainty about the level of non-compliance with particular rules.

Environmental risks are managed through a series of activities and services:

- > research planning processes to identify required projects and priorities for each year
- > fish stock assessment working groups that evaluate research and catch information
- > information reported by commercial fishers in their statutory catch returns
- > information gathered by the Ministry's Compliance and Observer staff
- > advice to the Minister of Fisheries on sustainability measures, which must take into account the trade off between quality/cost of information and confidence about sustainable catch limits
- > advice to government in policy and legal reforms to improve environmental outcomes.

Outcome 2: Achieving best value

Risks to achieving best value relate to 'suboptimal' fisheries management, including:

- > managing stocks to maximise yield rather than value (eg setting target stock sizes that have high yield rather than high abundance)
- > inappropriate allocation of available catch between fishing sectors
- > not considering the values of those who are not taking or harvesting fish or other resources (eg diving, sailing)
- > market constraints or trade barriers affecting export profit.

These risks arise primarily from:

- > a lack of information on costs and benefits of fishing to different sectors, including its non-commercial value
- > uncertainty about future allocation between fishing sectors
- > barriers to access to export market
- > deficiencies in the current statutory framework.

Risks to increasing value are managed through:

- > information flows from catch returns, compliance rates and scientific information
- > transparent and consistent decision-making
- > input and participation in management processes, including fisheries plans
- > consultation and engagement through iwi and recreational forums
- > participation in a range of working groups
- > advice to government on reform to the statutory framework to enable greater value to be achieved.

The commercial sector would be more likely to increase the value obtained from fisheries resources if there was more certainty about the different sectors' access to fisheries, and about the standards to be adopted. These issues have a significant bearing on industry incentives to invest in both production and management capacity.

The amateur sector generally want more and bigger fish in key fisheries. Managing for higher abundance will help to achieve this. Their role in fisheries management will be strengthened through representative organisations that are being established. These organisations are intended to work with other sectors to agree management approaches.

The ability of the customary sector to increase value would be strengthened by iwi and hapū articulating management plans that incorporate kaitiakitanga and using these to contribute to wider fisheries management.

In all cases, value to New Zealand could be enhanced through clear statements of priority and process in relation to changing and competing uses of marine resources.

Outcome 3: Credible fisheries management

Risks to achieving credible fisheries management relate to:

- > management systems failure
- > whether the Ministry has the capacity and capability to deliver on its organisational objectives
- > whether stakeholders can engage in fisheries management processes
- > publicity that undermines confidence in New Zealand's fisheries management regime
- > inadequate monitoring and evaluation.

In addition there are two factors that impact on the operating environment:

- > Insufficient commitment to a problem-solving approach between sectors – linked to different values and rights, different organisational capacity and mandate, and the absence of a clear long-term Fisheries Strategy.
- > A lack of public awareness and understanding of New Zealand's fisheries management – resulting in ill-informed debate and lower than desired public support and confidence.

Organisational risks are managed by Ministry business groups and monitored through its organisational governance committee, and legal advice. Risks managed in this way include:

- > maintaining organisational capacity and capability
- > legal risk from processes and decisions
- > financial management processes
- > disaster recovery programme
- > monitoring Ministry – provided and contracted services and obligations.

In addition there is a risk that the Crown will not be seen to be honouring its obligations under the aquaculture settlement. This risk arises due to limited progress in the establishment of new aquaculture space. This risk is being managed through the development of a plan for the delivery of the Crown's obligations.

Other credibility risks are managed by:

- > improvements in web-based access to information
- > capacity building, especially among tangata whenua and amateur fishing stakeholders
- > implementing a monitoring and reporting regime.

6 Organisational health and capability

To fulfil our roles, the Ministry must be efficient and continually improving. The focus of the Ministry's capability development initiatives originates from the three year Organisational Development Plan (ODP) – started in 2006 – with the objective to ensure that the outcomes in the Statement of Intent are reflected in, and drive, the organisation's structure, systems and processes, priorities, capability development and investment decisions. The ODP represents a significant opportunity to improve the way we operate and is entering its final year.

The major strategies to maintain organisational health and capability are set out below. Table 1 shows the linkages between the strategies and the State Sector Goals.

1. Improving stakeholder relations, public awareness and communications

The Ministry is committed to increasing the level of participation by tangata whenua, stakeholders and the general public and their level of fisheries information. We will do this by encouraging engagement in the strategic management of New Zealand's fisheries, and promoting involvement in the development of fisheries plans. Ongoing investment is being made to improve web-based capability to share fisheries information and views with tangata whenua, stakeholders and other interested parties. Its purpose is to make accessible to stakeholders information we have on fisheries and the aquatic environment.

Maintaining a healthy and sustainable fishery requires the engagement and support of fisheries stakeholders. But, when there are differing expectations and values amongst interest groups, relationships can suffer if stakeholders believe their views are not being taken into account. Seeing and understanding each other's point of view is critical to improving relationship management. Along with helping build the capability of sector stakeholders to engage with each other, the Ministry will work to improve its own relationship management with all stakeholders.

Investments in our education website content, www.starfish.govt.nz will be completed in early 2008/09. The web material is targeted to improving younger peoples' awareness and knowledge of the marine environment and our fisheries.

For the start of the 2008/09 year we will have established a single database for external contacts. This will enhance communication by ensuring our mail outs are properly targeted and contact details are up to date.

2. Increasing operating efficiency

Governance

Appropriate organisational governance is important to achieve good outcomes and efficiently use the resources made available to the Ministry. The repositioning of the Strategic Leadership Team (SLT) in late 2007 provides a new platform of governance in the Ministry. The SLT's objectives are to ensure:

- > Clear objectives, performance standards and accountabilities for delivery of the agreed outcomes, outputs and services are in place.
- > Maximum value is obtained from taxpayer funds.
- > Core operating infrastructure and capability is maintained and developed.
- > Appropriate risk identification and management processes are established.
- > Governance mechanisms are continually reviewed and adapted to meet emerging needs.

The Risk Advisory Group is to be established by the start of the 2008/09 year to build on the role of the current Organisational Risk Management Committee. This new governance group will include external perspectives and be lead by an independent chair, advising the Chief Executive.

Organisational Performance

In the last quarter of the 2007/08 year, the Ministry began updating its organisational strategy. The objective is to ensure the Ministry meets the challenges of the revised sector strategy, which is currently being developed. Integrating the Ministry's organisation, people, processes, systems and culture in ways that support the implementation of future sector strategies will be crucial to the success of the strategies. The point of this work is ensuring the Ministry can show it is efficient and effective. The results, which will encompass all aspects of the Ministry, are expected to be seen towards the end of the 2008/09 year.

Information Management

Investments have been made in the Ministry's information management and the infrastructure that supports it. This is vital to keeping the Ministry working efficiently and delivering on fisheries outcomes.

This investment will continue. A revised model for directing and delivering information management has been agreed. This new approach brings together all the Ministry's functions. The prime focus is to support the development and operation of fisheries plans, and give stakeholders, tangata whenua and the public access to our information.

To make it easier to share information and engage with stakeholders, the Ministry now has two specialist websites:

- > Science working group site – which supports 14 stakeholder working groups.
- > Fisheries planning site – which supports over 40 stakeholder working groups.

During 2008/09 the Status of Fisheries section of our website will continue to be enhanced with latest available fisheries information. The NABIS site (which provides spatial and visual representations of our marine biological and fisheries management data) will also continue to be maintained with latest available data.

The recent investments the Ministry has made in a new electronic document management system will become fully operational in 2008/09.

Reducing our environmental footprint

The Ministry is committed to keeping its environmental footprint as small as possible. As at February 2008 our carbon footprint is assessed at 7,700 tonnes of carbon dioxide annually. Seventy-four per cent of this is fuel used in fisheries-related aerial surveillance by the Air Force and fisheries research vessels by NIWA. The balance is principally fuel used in staff travel while undertaking Ministry business, and power for our offices. We will try to reduce our footprint by working with our external providers and with staff to ensure that our practices, procurement decisions and resource allocation decisions are as sustainable as practical. The Ministry has developed principles for sustainable work practices and will evaluate alternatives to minimise our carbon emissions. We are investing in tools and techniques to reduce our costs of operating and our carbon footprint.

Purchasing

To maximise value obtained from expenditure on goods and services, procurement will continue to be rationalised through internal management of expenditure and use of government-syndicated purchasing arrangements. The Ministry operates a rigorous public tendering programme to ensure the value from tax and levy payers' funds is maximised.

3 Competency and capability improvement

Our People Strategy aims to attract, develop and retain the people needed to achieve the Ministry's organisational goals. In support of continual learning and improvement, a competency-based capability development programme is being adopted throughout the Ministry. Organisational management and leadership development programmes, designed in association with the Leadership Development Centre, are underway to ensure our managers and leaders are skilled in their areas of responsibilities. All Ministry staff are expected to make an ongoing investment in their skill development and capability growth and they each have a target of at least five days formal training per year. In 2006/07 this investment totalled eight days per staff member and this level of ongoing development is expected to continue.

In 2008/09 a new human resource information system will become operational to enable improved resource management and utilisation. Providing managers with up to date tools and information will support our focus on building capability and competency in the Ministry. This will also help us with planned work on succession and work force planning.

Prior to the start of the 2008/09 year the Ministry will have completed the first engagement survey with staff. Information from this State Services development goal initiative will be used to identify and address any issues and seek to improve the level of staff engagement within the Ministry and the wider public services.

Improved internal communications with staff across the wide range of services and locations is a priority and technology solutions will be used that are cost effective and efficient.

Equal Employment Opportunities

The Ministry is scheduled to complete its Pay and Employment Equity review before the end of the 2007/2008 year. The Ministry will use results from the review to address any gender issues that may have been highlighted in it. The Ministry continues to address issues around disability on the basis of individual needs and actively promotes Māori participation.

Strategic risk management

For any organisation involved in strategic policy, regulations and service delivery, strategic risks are created. The Ministry aims to build on work started in 2007, establishing and implementing an organisation strategic risk management framework and associated assessment, mitigation and monitoring processes.

In 2008/09, our planning and prioritisation processes will be assessed for risk, and more detailed responses will be developed to identify and manage strategic and operational risks within the Ministry.

Capital intentions

The Ministry's capital intentions over the five year period from 2008 to 2013 are shown below. The capital expenditure programme covers the routine replacement of motor vehicles used by fishery officers and pou hononga, and the replacement of vessels for fisheries compliance duties.

Departmental Capital Expenditure forecast

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Buildings and leasehold improvements	0	210	0	0	0	0
Office plant and equipment including computer equipment	2,382	1,440	2,014	1,894	2,084	2,084
Motor vehicles	518	918	886	1,006	816	816
Vessels	0	332	0	0	0	0
Total	2,900	2,900	2,900	2,900	2,900	2,900

How will we demonstrate success?

During 2008/09 the Ministry will develop measures to monitor our performance in achieving State Sector development goals. In the meantime, we have identified some process measures that will contribute towards enhancing organisational health.

During 2008/09, we will:

- > Establish a single database for external contacts.
- > Establish a new Risk Advisory Group to build on the role of the current Organisational Risk Management Committee.
- > Enhance the Status of Fisheries section of our website and NABIS site with latest available fisheries information.
- > Complete the investment in our education website content, www.starfish.govt.nz.
- > Implement a new human resource information system.
- > Analyse the results of the engagement survey with staff.
- > Develop measures to monitor our performance in achieving State Sector development goals.

In addition, there is provision for the building and upgrade of new and replacement information systems, including associated hardware, and replacement of minor plant and equipment necessary to maintain the Ministry's operating environment.

Table 1: Linkages between Ministry strategies and State Sector goals

Organisational health and capability	Linkage to State Sector Goals					
	Employer of Choice	Networked State Services	Value for money	Coordinated State Agencies	Accessible State Services	Trusted State Services
Work streams and detailed work elements						
Improving stakeholder relations, public awareness and communications						
Support web-based access to information, collaboration, and consultation		•	•		•	•
Develop and implement stakeholder information and relationship strategies					•	•
Education website content improvement					•	•
Enhance co-ordinated consultation calendar for stakeholders			•		•	•
Maintain a single external contact database			•		•	
Increasing operating efficiency						
Risk Advisory Group established			•			•
Establish and implement an organisational risk management framework and associated assessment, mitigation and monitoring processes						•
Development measures to monitor development goals	•	•	•	•	•	•
Update organisational strategy	•		•		•	•
Update information systems: Implement best practice processes to capture, store, use and disseminate information	•	•	•		•	•
Embed the document and records management system into the Ministry's work culture	•		•		•	•
Implement the Ministry's principles and values for sustainable work practices to reduce environmental footprint	•		•			•
Rationalise and standardise procurement within defined categories			•	•		•
Competency and capability improvement						
Continue Lominger competency frameworks for performance and development	•		•			•
Continue management and leadership development programmes	•		•			•
Implement Human Resources information system	•		•			•
Improved internal staff communications	•					

7 Additional information

7.1 Working relationships

Many organisations and individuals have a stake in the health and sustainability of our marine environment and fisheries. The Ministry works with Māori, other government agencies, commercial interests, recreational fishers, environmental organisations and service providers.

Treaty partner – tangata whenua

Māori are now the biggest players in New Zealand's commercial fishing industry, manage their non-commercial fishing activity through customary fishing regulations and are keen recreational fishers. The Ministry works with tangata whenua in a partnership based on the Treaty of Waitangi and recognised in the Fisheries Act 1996 and Treaty Settlements.

In the commercial sphere, we work with Te Ohu Kai Moana Trustee Limited, which allocates Treaty settlement assets in accordance with the Māori Fisheries Act 2004 and the Māori Commercial Aquaculture Claims Settlement Act 2004. Our relationship with iwi will strengthen as these assets are allocated.

We consult with Māori at iwi and hapū level on decisions affecting non-commercial fisheries matters (e.g. establishment of taiapure, mātaihai reserves, and marine reserves). Eleven iwi regional forums have been established to facilitate this consultation and engagement.

Government agencies

The main government agencies we work with, and their role and interests in fisheries and marine environmental matters, are:

Agency	Role and interests in fisheries and marine environment
Department of Conservation	Marine reserves, marine protected areas, protection of marine mammals and seabirds, freshwater fish farming
Ministry of Agriculture and Forestry	Marine biosecurity and safety of seafood
Ministry of Economic Development	Sustainable aquaculture development, environmental certification, and other aspects of the economic transformation agenda
Ministry for the Environment	Policy issues, Resource Management Act, biodiversity, aquaculture
Ministry of Foreign Affairs and Trade	International fisheries issues: trade, access to fisheries, and capacity building in the Pacific
Ministry of Justice	Foreshore and seabed negotiations
Ministry of Research, Science and Technology and Foundation for Research, Science and Technology	Research and funding priorities
New Zealand Customs	Monitoring and surveillance
New Zealand Defence Force	Surveillance
New Zealand Police	Enforcement
Office of Treaty Settlements	Historical settlements with iwi
Regional councils	Development of aquaculture management areas, and management of land-based impacts on fisheries

Service providers

Our key service providers are:

Provider	Services
Cawthron Institute	Specialist marine science, economic and sustainability research
Crown Law Office	Expert legal opinion on a wide range of fisheries issues
Crown Prosecutors	Prosecution services
Commercial Fisheries Services Ltd (FishServe)	Registry services and statutory functions
National Institute for Water and Atmospheric Research Ltd (NIWA)	Fisheries stock research, maintenance of research database

Commercial fishing and aquaculture

We work with organisations that represent the commercial sector, some with broad representation and some representing the interests of a particular fishery. They include:

- > Aquaculture New Zealand
- > Commercial fishing stakeholder companies and associations (various)
- > Marine farming stakeholder companies and associations (various)
- > New Zealand Federation of Commercial Fishermen
- > New Zealand Seafood Industry Council
- > Te Ohu Kaimoana Trustee Ltd.

Amateur fishing sector

Groups and organisations representing amateur or recreational fishing interests who work with us include:

- > Amateur Fishing Ministerial Advisory Committee (AFMAC)
- > New Zealand Big Game Fishing Council
- > New Zealand Recreational Fishing Council Inc (an umbrella organisation representing national, regional and local recreational fishing interests)
- > Option4 (an internet-based interest group)
- > Regional recreational forums.

Environmental sector

A number of groups with a strong interest in the sustainability of fisheries and the environmental impacts of fishing work with the Ministry, including:

- > Ecologic Foundation
- > Environmental and Conservation Organisations of New Zealand (ECO)
- > Environmental Defence Society
- > Greenpeace
- > Royal Forest and Bird Protection Society
- > World Wide Fund for Nature.

7.2 Fisheries medium-term work programmes

The activities of the Ministry to achieve the three contributing outcomes can be divided into two broad areas:

- > maintaining integrity of the fisheries management regime
- > developing and enhancing fisheries strategies.

The work programmes in each broad area, and their links to fisheries outcomes and government themes, are summarised in Table 2. Most work programmes contribute to more than one outcome and government theme, and are delivered with input from a number of business groups within the Ministry.

Table 2: Ministry work programmes and linkages to outcomes and government priorities

Work programmes	Outcomes			Government themes	
	Health of aquatic environment	Achieving best value	Credible fisheries management	Economic transformation	National identity
Maintaining integrity of the fisheries management regime					
Providing core services:					
Compliance and enforcement	•	•	•		
Policy advice				•	•
Regulatory advice	•	•	•		
Research and information	•	•	•		
Registry services		•	•		
Developing and enhancing fisheries strategies					
Achieving environmentally sustainable fishing	•		•		•
Building value through fisheries plans	•	•	•	•	•
Promoting economic transformation		•		•	
Encouraging responsible fishing in the Pacific and high seas	•		•	•	
Recognising Treaty of Waitangi and customary rights		•	•		•
Building capability among iwi and amateur stakeholders		•	•	•	•
Developing and enabling long term fisheries management strategy	•	•	•	•	•
Monitoring and reporting	•		•		

7.2.1 Maintaining integrity of the fisheries management regime

This work area provides core services to maintain the integrity of New Zealand's fisheries management regime. Approximately 85 percent of Vote Fisheries is devoted to this work area. The Ministry is continually investing in improving the services delivered as part of our ongoing functions. The component activities are described below.

Compliance and enforcement

Fisheries compliance activities promote voluntary compliance and aim to create effective deterrence. The activities are tailored to achieve compliance in commercial and non-commercial fisheries, deter poaching and black market operations, and prosecute offenders.

Education strategies and media campaigns are used to raise awareness of fishing rules. The Ministry engages with stakeholders to identify practical solutions to compliance problems, and overt inspections of commercial, customary, and amateur fishers help to raise the profile of this work. Deterrence is achieved through covert surveillance in high-risk fisheries, dedicated investigation activities, and implementing an enforcement response when illegal activity is detected. Minor infringements incur infringement fees, while serious offending is met with prosecution.

As fisheries plans are developed, compliance activities will be reviewed and adjusted as necessary to ensure they are aligned to the areas of greatest risk within each plan. Improvements to compliance information systems and processes, including improved offence detection and analysis, will enhance this risk focus. This approach depends on working with tangata whenua and stakeholders to develop the objectives and management strategies in each fisheries plan.

The Ministry is participating in the development of the International Monitoring, Control and Surveillance Network to develop international arrangements to deter and reduce IUU fishing, particularly in the toothfish, orange roughy, and tuna fisheries.

Policy advice

The Ministry provides advice to the Minister and Government on the development and review of policy and legal frameworks for fisheries management and whole-of-government programmes in New Zealand and internationally.

Regulatory advice

The Ministry provides advice to the Minister on sustainability and management decisions under the Fisheries Act. This includes advice on Total Allowable Catch (TAC) and Total Allowable Commercial Catch (TACC), and measures to reduce the impact of fishing on protected species and habitats. Preparing the advice involves developing management options and consultation with tangata whenua and stakeholders.

We also process a wide range of statutory applications, for eventual decisions by the Minister or Chief Executive. These include:

- > kaitiaki appointments, establishment of mātaihai, taiapure, and temporary closed areas (customary management)
- > fish transfers and freshwater fish farms
- > special permits
- > assessments of fishing impacts for proposed aquaculture management areas
- > implementing the Marine Protected Areas Policy
- > marine reserve concurrence.

Research and information

The Ministry contracts scientific research to assess stock levels and the effects of fishing on the environment, and to survey and assess New Zealand's marine biodiversity. Research is undertaken on a phased, prioritised basis of individual fisheries at a frequency necessary to monitor whether or not fisheries are decreasing as a result of overfishing, and to enable the Ministry to keep information current. Analysis is also carried out on the implications of management options, and cultural, social and economic factors relevant to fisheries management.

Observers on commercial fishing vessels provide an independent source of high quality scientific and other information from commercial fishing operations. They are also used by external agencies (e.g. the Department of Conservation) to gather fisheries-related information.

Information from research and observers supports the management decisions for New Zealand's fisheries, particularly setting TAC limits and monitoring the environmental impact of fishing activities. It forms the basis of advice on management options for future years.

Registry services

Accurate and timely registry information supports management decisions within each fishery. Registry information (including permit holder register, vessel registers, quota and ACE ownership, and catch data) is collected by Commercial Fisheries Services Ltd (FishServe), under contract to the Ministry or as part of its devolved responsibilities. FishServe also administers the introduction of new species to the QMS. The Ministry ensures contracted or devolved registry services meet the expected standards and specifications for those services.

7.2.2 Developing and enhancing fisheries strategies

This work area includes eight programmes directed at achieving our goal and outcomes.

Achieving environmentally sustainable fishing

This work programme aims to restore and maintain highly productive and resilient fisheries, as well as minimise the adverse impacts of fishing on the environment.

A range of measures to achieve environmentally sustainable fishing are in place, including catch limits, method restrictions, observer programmes, marine mammal by-catch limits, and requirements to use by-catch mitigation devices. Improving performance depends on better scientific information, making progress on operational initiatives, and developing new management tools. It also requires working with other agencies to reduce adverse effects of other activities (in particular sedimentation and pollution) on the fisheries environment.

Catching fish affects the harvested stock, and can cause other environmental effects such as incidental capture of seabirds or disturbance to benthic communities. Environmental fisheries standards are being developed and will address the direct and indirect effects of fishing on the environment.

Like other standards, this will define the minimum level of performance expected of fisheries management and may be met through a range of operational initiatives. The Marine Protected Areas Policy will establish a representative network of protected areas. Adoption of the Benthic Protected Areas, initially proposed by the fishing industry, has resulted in the closure of 1.2 million square kilometres of the seabed from bottom trawling. The National Plans of Action for protected species such as seabirds, sealions, and Hector's/Maui's dolphins will also give effect to fisheries environmental standards.

To set effective standards the Ministry needs information on different parts of the environment (e.g., fish, birds, seals, habitat) and the risks to them resulting from fishing. Reliable information is also needed on the status of harvested stocks and the removals due to fishing. The high cost of getting good information means that decisions often need to be made with limited information.

Building value through fisheries plans

Since 2005, the Ministry has been committed to developing fisheries plans. Fisheries plans are about working with stakeholders to get the best value from our fisheries. This means working with stakeholders in each fishery to set agreed management objectives and to design management strategies to achieve the objectives in a cost-effective way.

- > Building value for the commercial sector is expected to focus on cost-effective service delivery, minimising TACC volatility, assurance that the benefits of investing in fisheries rebuilding and enhancement will not be unreasonably reduced through reallocation to non-commercial fishing.
- > Building value for the amateur sector is expected to focus on rebuilding particular fisheries, providing for higher levels of abundance, and providing for separation of commercial and amateur fishing effort in key locations.
- > Building value for the customary sector is expected to focus on recognition of kaitiakitanga, providing greater abundance of fish, taking a regional approach to local management measures, and taking an integrated approach to resource management.

A fisheries plan will bring together the harvest plan, monitoring, research, enforcement, and other elements of fisheries management, and show the links between these elements. Fisheries plans will allow the Ministry to prioritise its resources. Once developed, fisheries plans will guide the statutory management and service decisions for the fisheries covered in the plan. Fisheries plans will be reviewed every five years, allowing further information to be included in the plan.

In 2007, the Ministry completed preliminary plans describing the current management for all stocks – organised into 26 fisheries complexes. These plans will form the basis of discussions with tangata whenua and stakeholders on how to get the best value from each fishery. We are working with stakeholders in the middle-depths and deepwater fishery and in five inshore fisheries (Northland Scallops, Northwest Finfish, Rock Lobster in Area 3, Challenger Finfish, and Southern Shellfish) to define objectives, evaluate risks, and determine management strategies.

Linking fisheries plans to the fisheries outcomes depends on the definition of standards. The key environmental fisheries standards have been completed or are near completion¹.

Promoting economic transformation

A key priority for government over the next ten years is to facilitate the transformation of the New Zealand economy into a high income, knowledge-based market economy, which is both innovative and creative and delivers many benefits to New Zealanders.

The New Zealand fishing and aquaculture industries are major export earners for New Zealand. In the year ended December 2007, 316,000 tonnes of seafood products were exported, worth a total \$NZ 1.3 billion². The value of seafood exports places the industry as New Zealand's eighth largest export earner. Aquaculture exports contribute approximately \$240 million³ of this value – aquaculture production is a small but increasingly important component of the seafood industry in New Zealand and worldwide. Business activity based on amateur fishing is significant in certain regions, such as Hauraki Gulf, Bay of Islands, Bay of Plenty and Marlborough.

To facilitate economic transformation, the government has established programmes to promote environmental certification in the seafood sector, and is supporting development of sustainable aquaculture. The Ministry also works in international forums to advance New Zealand's fisheries interests. In multilateral and bilateral trade negotiations our aim is to reduce trade barriers for seafood. In regional or high-seas fisheries management forums our aim is to ensure responsible fishing and maintain or improve access by New Zealand fishing interests.

Environmental certification of New Zealand seafood

The growing trend towards a more environmentally-conscious global marketplace presents significant opportunities and risks for New Zealand's seafood sectors. In 2007 the Ministry initiated a programme to work with the seafood industry (fishing and aquaculture) to obtain environmental certification for New Zealand seafood. The programme aims to enable the industry to respond to environmental performance requirements.

Under the four-year programme, the Ministry will obtain an independent assessment of our management regimes against internationally-recognised standards, and as of 2008/09 government will contribute to the certification costs of New Zealand seafood through a contestable fund.

Sustainable Aquaculture

Aquaculture has been identified by Government as a priority industry for growth. The Government's response to the Aquaculture Sector Strategy was released in 2007 and sets out a commitment to work with industry on five key issues: building the confidence to invest, improving public support, promoting Māori success, capitalising on research and innovation, and increasing market revenues. The Ministry leads an across-government team which is working closely with regional authorities and key stakeholders to implement the response over the next two years.

We are also working in partnership with Aquaculture New Zealand to develop world-leading standards for sustainable aquaculture development in New Zealand.

Encouraging responsible fishing in the Pacific and high seas

As a country with fishing interests in high seas fisheries New Zealand has a direct obligation to cooperate with other countries to ensure that high seas fisheries are managed sustainably. The Ministry works in multilateral organisations such as the OECD and FAO, and within the regional fisheries management organisations (RFMOs) of which we are a member⁴, to promote effective fisheries management policies and practices. Our focus is on strong governance arrangements, robust science processes, allocation of access, and effective monitoring control and surveillance mechanisms to tackle IUU fishing. We also assist Pacific Island countries to develop enduring and effective fisheries management regimes, through our capacity development programme.

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 Exclusive Economic Zone. 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 species whose range is partly within our EEZ.

New Zealand has taken a lead role, along with Australia and Chile, in establishing the South Pacific RFMO. The Interim Secretariat has been established in Wellington. Interim measures to manage the impact of bottom fishing on the benthic environment, agreed by the 27 participating countries, were implemented for New Zealand vessels as of October 2007. The South Pacific RFMO has the potential to set a new international standard for the regional governance of high seas fisheries, and we will be striving to ensure that best practice fisheries management and governance frameworks are incorporated into the new organisation.

1 These are the standards for harvest strategies, seabirds, benthic impacts, marine protected areas, Hector's/Mani dolphins, and sealions.

2 Source: SeaFic export data. Table 5A.

3 Source: NZ Aquaculture Council Annual Report 06/07.

4 Western and Central Pacific Fisheries Commission, Convention for the Conservation of Antarctic Marine Living Resources, Commission for the Conservation of Southern Bluefin Tuna, South Pacific Regional Fisheries Management Organisation.

Recognising Treaty of Waitangi and customary rights

We have ongoing obligations deriving from the Fisheries Deed of Settlement, historical settlements, and Aquaculture Settlement. Foreshore and seabed negotiations can also give rise to obligations on the Ministry. Development and implementation of a Treaty Strategy is a key initiative to enhance our ability to deliver on our obligations.

1992 Fisheries Deed of Settlement

Three key obligations came from the Fisheries Settlement:

- > implementing the customary fishing regulations;
- > providing for input and participation of tangata whenua in decisions that affect their non-commercial interests; and
- > transferring settlement quota as new stocks are introduced into the QMS.

The Treaty Strategy aims to deliver on aspects of our settlement obligations by building better working relationships with tangata whenua and recognising kaitiakitanga. Regional iwi forums are being established as a key mechanism to provide for input and participation.

2004 Aquaculture Settlement

Under the Aquaculture Settlement, equivalent to 20 percent of aquaculture space created after 1992 is to be allocated to iwi. To meet this:

- > the Crown must transfer to Te Ohu Kaimoana Trustee Limited the equivalent of 20 percent of the marine farming space created between 1992 and 2004. The Crown's obligation can be achieved by:
 - > the transfer of additional space, up to 20 percent in new Aquaculture Management Areas, or
 - > from 2008, by the purchase and transfer of the space associated with established marine farms, or
 - > from 2013, the payment of the financial equivalent.
- > regional councils must transfer to Te Ohu Kaimoana Trustee Limited 20 percent of the space in each new Aquaculture Management Area.

Te Ohu Kaimoana Trustee Limited is responsible for allocating the settlement assets to iwi aquaculture organisations.

Foreshore and Seabed negotiations and agreements

The Ministry contributes to Government negotiations with tangata whenua who have claims to the foreshore and seabed. Our focus in these negotiations is to provide for management of customary fishing by tangata whenua, in accordance with the Fisheries Act and provisions of the 1992 Fisheries Deed of Settlement.

Historical settlements

The Ministry also contributes to Government negotiations with iwi in relation to Treaty settlements, and implements aspects related to fishing.

Building capability among iwi and amateur fishing stakeholder groups

The aim of building capability among iwi and amateur fishing stakeholder groups is to:

- > Achieve more effective input from these groups into fisheries management consultation processes, including development of fisheries plans.
- > Enhance their ability to work directly with other stakeholders – especially the wider commercial sector – to reach agreement on management initiatives.

To build capability and increase engagement with tangata whenua we are establishing and supporting regional forums of iwi and hapū. All Ministry business groups contribute to capability building by sharing information about fisheries management. In addition, we have two dedicated teams supporting iwi forums:

- > Pou Hononga – manage the relationship between tangata whenua and the Ministry
- > Pou Takawaenga – assist iwi forums (iwi and hapū) in implementing customary management practices, including developing rohe moana plans.

To build capability and increase engagement with amateur stakeholders, the Ministry provides administrative and policy support to the seven regional recreational forums, and the Amateur Fishing Ministerial Advisory Committee (AFMAC).

Developing and enabling a long-term vision and management strategy for New Zealand fisheries

A long-term vision should guide the development of a long-term focused Fisheries Strategy. The development of this strategy for New Zealand fisheries will incorporate revisions of the outcomes to match the vision, and legislative reforms to enable the vision and strategies to be delivered.

Building consensus on the direction for fisheries management is important to secure broad support from tangata whenua and stakeholders for our management initiatives and to encourage them to align their activities and investment with the strategy. We intend to use meeting with stakeholders to seek their views and suggestions on the elements of a new vision and Fisheries Strategy. Discussions will give the Ministry an appreciation for, and understanding of, the long-term aspirations of tangata whenua and stakeholders, and their views on how to get there.

Monitoring and reporting on fisheries

This work programme includes the establishment of a framework to monitor the performance of fisheries, identification of performance indicators, collection of data, and reporting of results. Once the framework and data collection procedures are in place, there will be ongoing reporting and evaluation.

Monitoring helps assess whether, and how, fisheries management is contributing to New Zealand's social, economic and cultural well-being, and environmental sustainability. It is important to allow the Ministry to be confident that our management measures are effective, and to provide tangata whenua and stakeholders confidence that decisions are properly implemented.

7.3 Priority work areas for 2008/09

Particular priorities for 2008/09 are:

- > Develop and enable a long-term management strategy for fisheries.
- > Establish a framework and indicators to monitor performance of fisheries.
- > Progress development of environmental fisheries standards.
- > Progress collaborative development of deepwater, middle depths, and inshore fisheries plans.
- > Working with Department of Conservation and communities to implement the Marine Protected Areas Policy.
- > Contribute to economic transformation by facilitating and supporting through development of aquaculture and certification of New Zealand seafood.
- > Continue to deliver on the Crown's obligations under the Māori Commercial Aquaculture Claims Settlement Act 2004.
- > Implement the Ministry's Treaty Strategy – in particular improving input and participation, and contributing to the Crown's obligations to Māori in respect of historical settlements and foreshore and seabed agreements.
- > Increase observer coverage to provide research data, monitor compliance with fisheries standards, and meet SPRFMO obligations.

■ New Zealand Fisheries at a Glance

Environment

NZ Marine Fisheries Waters (EEZ and Territorial Sea)	4.4 million km ²
NZ Coastline	15,000 km
Marine species identified ⁵	16,000
Species commercially fished	130
Area closed to bottom trawling (fisheries restrictions)	
Territorial Sea	15%
Exclusive Economic Zone	32%
Productivity of the fishery	Medium
Ecosystems	Diverse
Climate	Sub-tropical to sub-Antarctic

Quota Management System Stocks

Species/species complexes in QMS	97
Individual stocks in QMS	629
Proportion of catch (by weight) from assessed stocks ⁶	65%
Assessed stocks at or near target level ⁷	85%
Allowable commercial take (TACC) ⁸	566,000 tonnes
Actual catch	441,000 tonnes

Commercial Fisheries and Aquaculture

Total seafood export value, 2007 (FOB) ⁹	\$1.3 billion
Aquaculture exports ¹⁰	\$226 million
Total seafood exports, 2007	315,600 tonnes
Total quota value ¹¹	\$3.8 billion
Persons with quota holding	1,617
Commercial fishing vessels	1,316
Processors and Licensed Fish Receivers	229
Direct employment (full time equivalents) ¹²	7,155
Cost recovery levies (fisheries services) and user fees, 2008/09 (planned)	\$35 million

Customary Fisheries

Tangata Tiaki appointed (South Island)	107
Tangata Kaitiaki appointed (North Island)	209
Temporary closures	5
Taiapure-local fisheries	8
Mātaítai reserves	7
Customary take provided for within the TAC	4,802 tonnes

Recreational Fisheries

Estimated participation (as a % of the total NZ population) ¹³	31%
Estimated annual take ¹⁴	25,000 tonnes

Ministry of Fisheries

Budget 2008/09 (excl GST)	\$94.5 million
Net assets	\$12.6 million
Staff (March 2008) (FTEs)	432
Honorary Fishery Officers (March 2008)	165
Observers (March 2008)	57

- 5 Environment New Zealand 2007, Ministry for the Environment.
- 6 Percentage of stocks calculated by weight and value, excluding squid.
- 7 Remaining 15% are subject to rebuilding strategies.
- 8 Latest complete fishing years (October fishing year 2006/07, April fishing year 2006/07, February fishing year 2007/08. Excludes 14.95 million individual oysters, which are not measured in tonnes.
- 9 Report 5A, Seafood Export Summary Report, SeaFIC based on export data supplied by Statistics New Zealand.
- 10 Mussel, salmon and oyster exports for the calendar year 2007.
- 11 Statistics New Zealand. Fish monetary stock accounts, 1996-2007.
- 12 Census 2006.
- 13 Andrew Fletcher Consulting Survey, November 2007. Prepared for Ministry of Fisheries.
- 14 1999/00 Survey of Recreational Fishing.

