



# Future of New Zealand's Aquaculture system: RM reform and aquaculture, open ocean aquaculture, the New Space Plan, and the Accelerate the Aquaculture Strategy: investment roadmap.

March 2022



# Introduction

During this presentation we will cover:

- resource management reform (RM reform) and aquaculture;
- a future management framework for open ocean aquaculture (OOA);
- Accelerate the Aquaculture Strategy: investment roadmap and;
- the key themes in the draft New Space Plan.

Virtual hui etiquette:

- please use the 'raised hand' function in Zoom; and
- questions after each presentation

For follow up information or feedback after this hui: Sam Grayling, Manager of Aquaculture Policy at

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For Discussion Only

# Resource Management Reform:

## Introduction

- Purpose of this engagement is to discuss with you:
  - a. what the key issues are with how aquaculture is currently managed under the Resource Management Act 1991 (RMA);
  - b. what the RM reform process is proposing for aquaculture;
  - c. proposed improvements to aquaculture; and
  - d. our preferred approach/option for future management.

Your feedback will inform a briefing to the Minister for the Environment on how aquaculture should be managed through the new RM system.

The broader RM reform project is run by the Ministry for the Environment (MfE). Therefore, today's discussion is limited to the topics above as we do not have mandate to discuss broader RM issues.

For more information on the wider RM reform project, contact MfE on [RM.Reform@mfe.govt.nz](mailto:RM.Reform@mfe.govt.nz)

# Resource Management Reform:

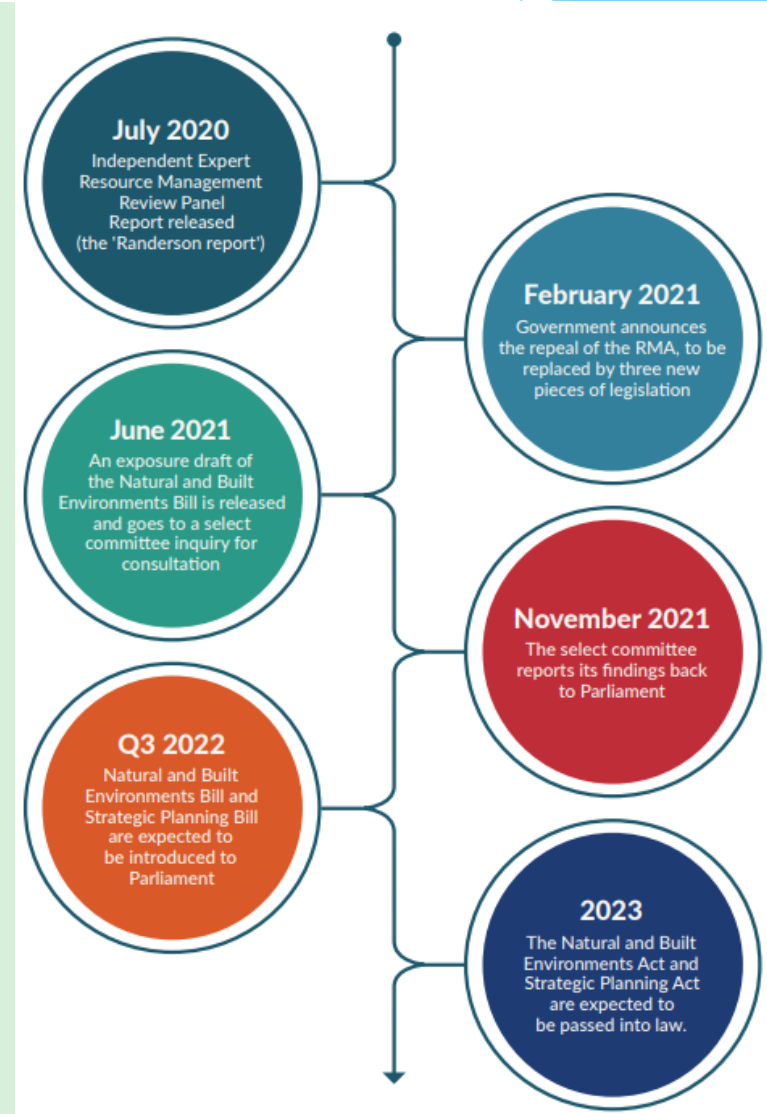
## Background

- Aquaculture management.
- Māori Commercial Aquaculture Claims Settlement Act 2004 (the Settlement Act).
- Historic and current issues with aquaculture management relate to:
  - a. strategic spatial planning;
  - b. operational planning and zoning;
  - c. allocation and economic instruments (relating to settlement only);
  - d. consenting;
  - e. undue Adverse Effects on fishing tests; and
  - f. Settlement Act interactions.

# Objectives and timeframes for Resource Management Reform

The Government has set the following objectives for the future RM system:

- protect and, where necessary, restore the natural environment, including its capacity to provide for the wellbeing of present and future generations;
- better enable development within environmental biophysical limits, including a significant improvement in housing supply, affordability and choice, and timely provision of appropriate infrastructure, including social infrastructure;
- give effect to the principles of Te Tiriti o Waitangi to provide greater recognition of te ao Māori, including mātauranga Māori;
- better prepare for adapting to climate change and risks from natural hazards as well as mitigating the emissions that contribute to climate change; and
- improve system efficiency and effectiveness, and reduce complexity, while retaining appropriate local democratic input.



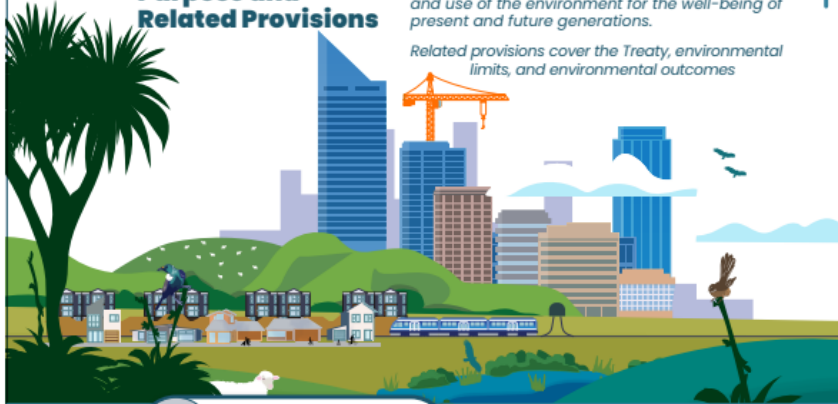
# OVERVIEW OF THE PROPOSED RESOURCE MANAGEMENT SYSTEM

## NATURAL AND BUILT ENVIRONMENTS ACT

### Purpose and Related Provisions

The purpose clause includes Te Oranga o te Taiao, and use of the environment for the well-being of present and future generations.

Related provisions cover the Treaty, environmental limits, and environmental outcomes



Purpose and related provisions translated through the development of NPF

### National Planning Framework

Contains the environmental limits that are set nationally, targets, other provisions such as methods and rules, and a precautionary approach, to direct and guide those exercising functions and powers under the NBA in the implementation of the Act

Purpose and related provisions, and NPF translated into plan provisions

### Natural and Built Environments Plan

Developed by local government, central government and mana whenua, replaces the existing regional policy statements, regional plans and district plans. Contain provisions (including rules) that determine whether a consent is required, whether it needs to be notified, and what an application will be assessed against in order to grant it. Includes designations (reserving land for infrastructure works etc)

Resource Consents

Implementation of Designations

## STRATEGIC PLANNING ACT

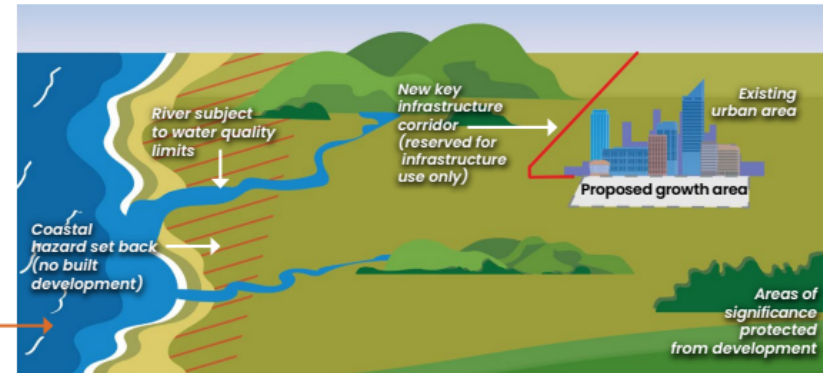
Climate Change Response Act

Local Government Act

Land Transport Management Act

### Long-Term Regional Spatial Strategy

Jointly developed by local government, central government and mana whenua



Climate Adaptation Act

RSS translated into plan provisions

Local Government funding mechanisms

Long-term plans, Regional Land Transport Plans, Annual Plans

Implementation agreements

Central Government funding mechanisms

Implementation of plans

# Resource Management Reform:

## Proposed options

1. Summary of the recommendations from the New Directions for Resource Management in New Zealand 2020 (The Panel Report) for RM reform and general direction of RM reform for aquaculture, including:
  - a. greater focus on upfront planning through Regional Spatial Strategies (RSS) and Natural and Built Environments Act (NBA) Plans;
  - b. greater focus on National Direction;
  - c. more permissive and efficient consenting regime; and
  - d. not undermining Treaty settlements.
  
2. Key opportunities include:
  - a. greater direction for upfront planning for aquaculture to avoid strategic decisions at consenting stage;
  - b. proactive planning of settlement space, include allocation of settlement space;
  - c. increased flexibility for new technology and species; and
  - d. Undue Adverse Effects (UAE) tests at planning as well as consenting.

# Resource Management Reform:

## Existing and inshore aquaculture – proposed options

Issue categories	Option 1: <u>Minimum</u> set of provisions that must be done to manage aquaculture	Option 2: Improved management within RM reform delivery timeframes	Option 3: Improved management: may impact RM reform process
National Direction	Intent of existing national direction (NZCPS, NES-MA) retained and transitioned into reformed RM system.	<b>Improved</b> NES-MA is improved to better enable innovation.	<b>Improved</b> ✓ New national direction for technical standards, prioritising aquaculture where appropriate, settlement areas.
Spatial planning	No minimum requirements.	<b>Improved</b> ✓ Aquaculture as priority in Regional Spatial Strategies where growth is expected and linked to New Space Plan.	No proposed improvements that fall outside of RM reform process.
Operational planning	Aquaculture operational planning is done at discretion of plan makers. Intent of existing Ministerial intervention powers retained on a transitional basis.	<b>Improved</b> ✓ NBA Plans set aquaculture zone where growth is expected + transitional zone plans + tools for Government intervention.	No proposed improvements that fall outside of RM reform process.
Allocation/Economic instruments	No minimum requirements.	<b>Improved</b> ✓ Central government and/or regional council tools to suspend receipt of applications to provide for settlement space.	No proposed improvements that fall outside of RM reform process.
Consenting	Minimum consent duration retained with minor amendments.	<b>Improved</b> ✓ Changes to definitions to better encourage innovation and include new technology.	No proposed improvements that fall outside of RM reform process.
Settlement Act interactions	Authorisations and lapse provisions for settlement areas retained to uphold Settlement Act.	<b>Improved</b> ✓ In addition to other improvements, links for settlement to new technology, greater direction on providing space for settlement.	No proposed improvements that fall outside of RM reform process.
Fisheries Act interactions	UAE test retained at the consenting level, known gaps resolved relating to commencement of activity.	<b>Improved</b> ✓ Undue Adverse Effects test undertaken at consenting or planning stage. Test retained under Fisheries Act 1996.	<b>Improved</b> ⌚ Undue Adverse Effects test fully integrated in RM system.

✓ Expected best option

⌚ May impact RM reform timeframes



# Resource Management Reform:

## Existing and inshore aquaculture – Discussion

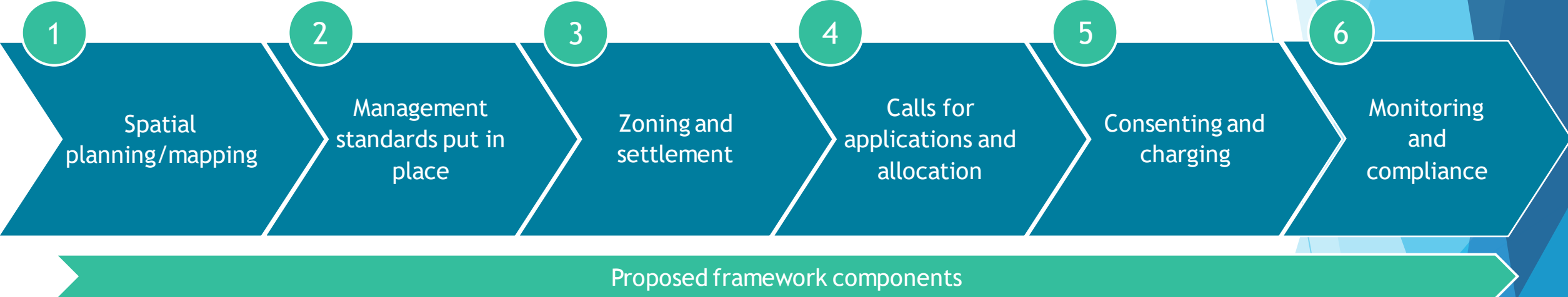
1. Have we canvassed the right issues?
2. What do you think of the proposed options?
3. Anything else?

# Open Ocean Aquaculture

## Context

- This is a follow-up to our hui in mid-2021, where we discussed:
  - what a fit-for-purpose management framework for OOA could look like and sought your views on how aquaculture is currently managed; and
  - how open ocean aquaculture could be managed in the future.
- An effective management framework is necessary to:
  - better deliver the Crown's settlement obligations under the Māori Commercial Aquaculture Claims Settlement Act 2004 (the settlement Act);
  - enable early Māori participation in the sector;
  - allow for sustainable industry development;
  - provide a proactive approach to biosecurity;
  - increase investment confidence; and
  - unlock immediate development opportunities.
- We have recently provided advice to the Minister for Oceans and Fisheries on the components of an effective management framework and are now seeking your input on these components, before we report back to the Minister in March 2022.

# How an open ocean aquaculture management framework could work in practice



# Open Ocean Aquaculture

## Questions – spatial planning/mapping

### Spatial planning/mapping

- Central Government-led mapping to identify appropriate and inappropriate areas for development initially on the East Coast of the South Island (up to Marlborough).
- Progressed in partnership with iwi and regional councils, with participation from stakeholders and local communities.
- Planning can ensure areas important for biodiversity and other values and uses are avoided, and facilitate best practice biosecurity management.

- What do you think about Central Government having a lead role in progressing spatial planning/mapping to identify areas appropriate and inappropriate for open ocean aquaculture?
- What do you think your role in spatial planning/mapping could look like?

# Open Ocean Aquaculture

## Questions – zoning and settlement

### Zoning and settlement

- Central Government will undertake zoning to establish open ocean aquaculture zones (for commercial use and research) and establish zone rules.
- Proactive allocation of right to access space in zones to iwi to meet settlement obligations.
- Iwi receiving settlement space will have the opportunity to develop the space, supported by faster consenting pathways, enabled by upfront management standards and clear zone requirements.

- What do you think about Central Government establishing OOA zones to provide for settlement areas and for future development in areas where growth is appropriate (and expected)?
- Should OOA be managed only within planned zones, or should the framework allow for applications both within and outside of planned zones, if environmental requirements can be met?

# Open Ocean Aquaculture

## Questions – management standards put in place

### Management standards put in place

- Central Government has ability to develop management standards on key issues (i.e. seabirds, marine mammals, seabed and water column) to ensure open ocean aquaculture is developed and managed within environmental limits.
- Standards will be nationally consistent.
- Individual zone plans may include additional/specific guidelines or rules.

- What type of standards do you think could be applied nationally, versus at a local/zone level?
- What do you think your role in developing environmental management standards could look like?

# Open Ocean Aquaculture

## Questions – calls for applications and allocation

### Calls for applications and allocation

- Once settlement obligations have been delivered, central government makes calls for applications within aquaculture zones.
- Competitive allocation tools, such as weighted attribute tender or auction, could be used to allocate space within zones.
- Productive capacity or biomass could be allocated in addition to space.

- Who should have a role in the allocation process?
- Do you think productive capacity, biomass, or something else could be allocated in addition to space?
- What should the default allocation mechanism be (for non-settlement space)? Options could include tender, weighted attribute tender, auction, and ballot.

# Open Ocean Aquaculture

## Questions – consenting

### Consenting

- Our proposed framework includes a more efficient consenting process that will focus more on site-specific issues in a particular area.
- We want to ensure consenting is more flexible for example, allowing consents for research and trials of technology, to incentivise new entrants and allow innovation.
- There are options about who makes consenting decisions. One option is for central government to process all consents, alternatively, regional councils could retain decision-making, but with support from central government.

- Would you like to see more flexibility in consenting pathways and what might this look like? i.e. consents for trials of technology, for production, options to transition from one site to another.
- What role should Central Government have in consenting for OOA?



# Open Ocean Aquaculture

## Questions – proactive biosecurity

### Biosecurity

- Spatial planning/mapping will deliver separation between zones.
- In zone operational requirements will be developed to support good biosecurity practices.
- A comprehensive aquaculture biosecurity system (across land-based, inshore, and open ocean farming) is currently being progressed elsewhere within MPI. This project will engage with you in the future when more details are available.

- What do you think about the current approach to aquaculture biosecurity?
- What should a proactive approach to biosecurity management look like?
- What do you think your role in the biosecurity management system could look like?

# Open Ocean Aquaculture

## Questions – charging

### Charging

- Charges on consents are applied by central government to reflect the private benefit and use of the coastal area.
- The charge would be simple and take into account that open ocean aquaculture is a developing industry.
- Exemptions or reduced charges may be applied, for example to research sites or Settlement sites
- Revenue could be used and distributed in a number of ways (for example; community groups, iwi, local government, monitoring, research, and/or towards local development).

- What are your thoughts on a charging regime for OOA and any impact it might have (including any impact that implementing a charging regime may have)?
- Are there any situations where you think consideration is needed to exempt spaces from a charge or be charged less?
- How do you think a charge for open ocean aquaculture should be determined?
- How do you think any revenue from an open ocean aquaculture charge should be used and distributed?

# Open Ocean Aquaculture

## Questions – monitoring and compliance

### Monitoring and Compliance

- Ongoing monitoring and compliance undertaken, by either central government or regional councils, to ensure management standards and zone conditions are being met.
- Monitoring and compliance would be proportionate to uncertainty and risk (i.e. consistently compliant, unchanged systems could require less monitoring).
- Shift away from self-reporting.

- Do you think our current monitoring and compliance measures are sufficient?
- Should regional councils or Central Government be responsible for monitoring and compliance in relation to OOA?

# Open Ocean Aquaculture

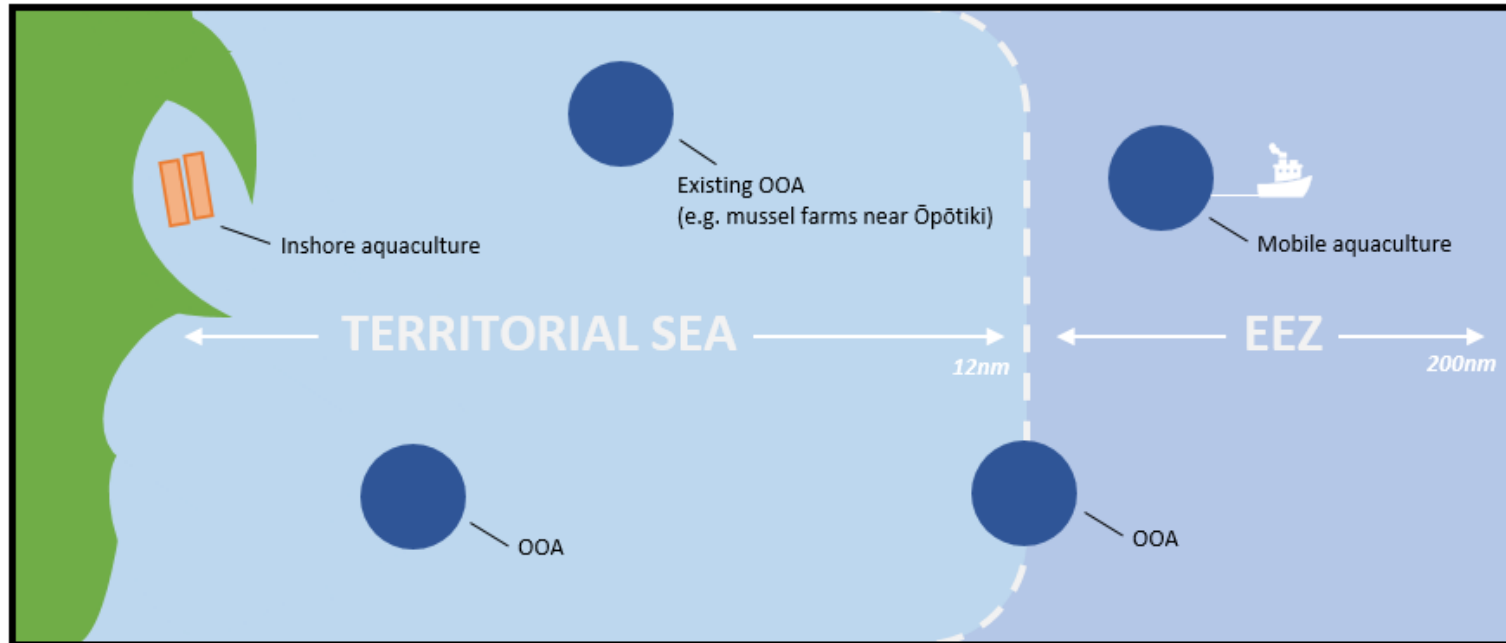
## Questions – framework overview

- Do you agree with the components (of an effective future management framework for OOA) that we have identified? Do you think anything is missing?



# Open Ocean Aquaculture

## Aquaculture in the exclusive economic zone



- OOA has the potential to extend into the exclusive economic zone (EEZ).
- What do you think the risks and/or benefits are of managing open ocean aquaculture under one regime across the territorial sea and EEZ, as opposed to separate regimes?
- How can the Crown work to fully understand and recognise your rights and interests in the EEZ?

# Accelerate the Aquaculture Strategy: investment roadmap



- The Aquaculture Strategy released in 2019 recognised the significant opportunity for a sustainable, productive, inclusive and resilient aquaculture sector in New Zealand worth \$3b in annual sales by 2035. To achieve this goal significant investment is required.
- In late 2021, the Accelerate the Aquaculture Strategy: investment roadmap was published. The purpose of this roadmap is to identify the specific investments across infrastructure, research and people required to deliver the strategy outcomes.

# Accelerate the Aquaculture Strategy: investment roadmap

- In developing this roadmap we have talked to partners across the sector. Over the next few months, we will continue to engage.
- The roadmap is a living document and it will be updated as the sector evolves.
- What's next?
  - Identify and agree the priorities for the year;
  - Determine how these investments will be funded; and
  - Governance.
- Questions?
  - Keen to your thoughts on our approach to implementing this roadmap.
  - Have we missed anything?

# Review of the New Space Plan

## Under the Maori Commercial Aquaculture Claims Settlement Act 2004

- This update summarises the process to review the “New Space Plan” for aquaculture settlement and outlines the next steps for our engagement with you.
- About the new space plan:
  - The new space plan guides how the Crown provides iwi with assets worth 20% of new aquaculture space consents (through cash, space or a regional agreement).
  - The new space plan sets out processes and methods for delivering settlement, including:
    - forecasts of the amount of regional growth expected in the next five years; and
    - steps for calculating the value of assets for each species (mussels, oysters, salmon).



# New space plan review process

Under the Maori Commercial Aquaculture Claims Settlement Act 2004

- The New Space Plan was published in 2014.
- A review is required to be initiated every 5 years, and is currently underway.
- We commissioned an independent review of the new space settlement to identify whether there can be improvements from the crown in implementing the Settlement Act.
- These recommendations have informed us in reviewing the new space plan.
- The core focus of the review is to ensure settlement processes are transparent, agile, and allow iwi to move more quickly to take advantage of emerging aquaculture opportunities.

# Response to review of the new space plan

- In response to the review, we want our work in delivering the settlement to:
  - **Set the right frameworks to deliver settlement**, to ensure processes are robust, well communicated, transparent, and become embedded in MPI and Te Ohu Kaimoana;
  - **Ensure agility in these processes**, to respond to changes in the aquaculture sector over time; and
  - **Enable iwi to maximise their opportunities from settlement**, by better identifying and understanding aquaculture opportunities, and doing more upfront work to decrease the risk of a settlement not resulting in a consent.

# Process so far & next steps

- We will take the findings of our review to Cabinet for review.
- Following this we will undertake further engagement with iwi on our response to the new space plan review, including the proposed work areas/outcomes to be implemented by Fisheries New Zealand and Te Ohu Kaimoana.
- Your feedback will help ensure we are using the right processes and methods, and that our proposed work areas will achieve the desired outcomes of the Crown and iwi.

# Thank you

- Any final questions?
- If you have any further questions or require more information please contact:
- Sam Grayling, Manager of Aquaculture Policy at [sam.grayling@mpi.govt.nz](mailto:sam.grayling@mpi.govt.nz) or 04 830 1704