

FISHERIES

INSHORE NEW ZEALAND

Fisheries Inshore New Zealand

Draft Work Programme and Budget

2022/23



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Plan and Budget Summary for 2022/23

As is evident in this report, Fisheries Inshore continues to be involved in a broad array of work. Some key work is initiated by Fisheries Inshore to benefit the sector and other tasks are required to defend the sector's interests from other initiatives.

BASIS OF BUDGET

This budget has been prepared on the basis of "Business As Usual" in respect of the legal and company structure for Fisheries Inshore. While proposals will be presented in the near future to merge Fisheries Inshore with Seafood New Zealand and Deepwater Group, this proposal does not take that proposal into account.

The merger proposal may impact both on the services and outputs to be delivered by Fisheries Inshore and on the needs to meet some of the core costs of Seafood New Zealand. This might be offset by removing any duplication or achieving greater co-ordination between Seafood New Zealand and the SREs. With a new inshore sector CEO to be appointed and the merger proposal yet to be implemented, it is possible that the 2022/23 Business Plan may be significantly changed from that proposed here or approved by the Board. Given the Government's reform agenda and the range of other spatial challenges I would expect to see similar level business plans (and budgets) in future years.

STAFFING AND RESOURCING

The business plan is based on similar staffing levels that we have now, maintaining the same level of resourcing from Tom, John and Rosa for the full year. We will continue to follow our normal practice of charging a portion of each staff members costs to the areas of work they are involved in. These are supplemented by contracting input for specialist skills (such as Ollie Wilson, Richard Wells and David Middleton) in particular programmes.

Within the budget I have allowed for a fulltime CE and part time Chair for the full year as is contemplated in the industry discussions. By including this there should be adequate allowance to fund an appointment process. It should also allow the office to consider accessing a level of short-term contracted administrative support that can assist with improving efficiency.

THE PROPOSED 2022-23 BUSINESS PLAN

The table below summarises the budget across the eight Strands of the Fisheries Inshore Business Plan, these make up the core services levy for 2021/22. In addition, work approved by the three regional committees is summarised below, as is some stock-specific work funded directly by quota owners.

Each strand is discussed in detail following the summary table.

GOAL	KEY WORK ITEMS	SUBTOTAL 2022/23	SUBTOTAL 2021/22
Leadership	Over-arching Strategy and Positioning, reduction of benthic and protected species environmental impacts, , AI for Cameras, Court of Appeal case on sustainability decisions	\$330,000	\$409,500
Legislative and Policy Reforms	Landings and disposals, Offences and Penalties, Electronic Monitoring, Revitalising the Gulf , RMA reforms and legislation, Harvest Strategy Standard review, Fisheries Industry Transformation Plan	\$175,000	\$180,000
Ensure Sustainability	MPI science processes incl research planning, DOC CSP programme, Consultation on TACs and deemed values, Habitats of Particular Significance to Fisheries Management, Inshore Fisheries Plan, Protected Species management and Benthic footprint	\$240,000	\$190,000
Access to Fisheries	S186A requests, measures in Regional Council Coastal Plans to control fishing to protect biodiversity, and other proposals that affect access to fishing grounds	\$265,000	\$250,000
Work Collaboratively	Collaborate with Fisheries Inshore committees incl SIFMC, Inshore SREs, CFF, Seafood NZ and Te Ohu Kaimoana; meet regularly with MPI, DOC and eNGOs, work with Federation	\$60,000	\$50,000
Communication	Establish credibility and improve public understanding and licence of the value of inshore fisheries, communication with members,	\$150,000	\$90,000
Company Management	Good governance, sound financial management, well-informed advocacy, fair and equitable levies, good decision-making	\$190,000	\$180,000
Contingency	Provision to be able to respond to a range of issues that may result in litigation	\$0	\$50,000
Core Services Budget		\$1,410,000	\$1,399,500
Regional Committees	Northern Inshore: Generic and stock-specific work, operational improvements, JMA1	\$266,950	\$297,000
	Area 2: generic and stock-specific research and management, collaboration with HBMAC Group	\$226,500	\$196,800
	HMS: Generic work, retaining focus on seabird by-catch reduction	\$40,000	\$40,000
Collection of levies on behalf of Southern Inshore Fisheries Management Company Ltd#		\$ to come	\$164,000
TOTAL FUNDING: Fisheries Inshore, Area2, Northern Inshore, HMS, Southern Inshore		\$1,943,450	\$2,097,300
Stock Specific Work		\$70,000	\$175,000

Leadership

Objectives

- Rebuild the links with the NZ consumer and society to protect our social licence and the interests of the sector
- Provide an overall framework for focused all-of-industry investment in better marine management.
- Develop policy advice, processes and tools that can be applied at both national and regional levels to promote a paradigm change on key industry issues.
- Facilitate and coordinate decisive actions and responses to issues of national importance including by promoting and implementing best practice in fisheries management and harvesting of inshore finfish pelagic and tuna fish stock and participating in the setting of standards under the legislation that will have flow-on consequences across the sectors.

Commentary

2022 was a difficult year for Fisheries Inshore. With new staff still settling into their roles and an increased Legislative and Policy Reform as well as Access to Fishing Grounds workload, progress achieved in the Leadership has been less than proposed. These pressures have meant that the limited resources have needed to be refocused on holding what we have rather than building better

Strategic Positioning

In January 2022, the Fisheries Inshore Board met to consider a number of strategic issues confronting the sector. The meeting agreed a need to adopt a new strategy that was based on re-positioning our sector to show how we responsibly provide the healthy fish to 80% of Kiwis and through that focus improve our relationship with our consumers and New Zealand society. In view of the foreshadowed changes to industry representation, consideration of a new formal Vision and Strategic Plan was deferred until there was some greater clarity on that matter. However, in communications and submissions, we have adopted a strategy to reposition the inshore sector as the provider of fish to the domestic consumer, catching their fish for them. With over 75% of our landed catch sold to domestic consumers, we can differentiate ourselves from the Deepwater fisheries as an industrial fish export sector and from the Rock Lobster and Paua fisheries which are essentially boutique export fisheries. That differentiation has been noted favourably by politicians whom we have talked with about the Fisheries Amendment Bill. The politicians have equally criticized the fisheries sector for the absence of material that tells our story and provides material to offset the disinformation forwarded by our opponents.

We are seeking to develop a focused initiative on that perspective in 2022/23. We have discussed some strategic options with our communications advisers. Given the need for budget constraint for the sector, it is proposed that we adopt a low-cost progressive approach, focusing on using social media, personal communications and developing Point of Sale information with our retailers and feedback to maximise effectiveness. We see no value nor justification in a costly expensive mass media blitz – our messaging needs to be more subtle and targeted. Just as our consumers want to buy fish, so too we want to gain the social license to continue to do so in a responsible manner. We will target the need to utilise cost effective harvesting such as bottom trawling and target the consumer as the principal recipient of inshore finfish, not the recreational fishing sector.

Later in the 2023 year, we will refresh our vision/ mission / strategy and clarity of purpose by developing a constructive overarching strategy for our organisation so that all work is prioritised and focused on moving industry to achieve its long-term goals. We expect that part of the Strategy will outline the need for and steps toward re-positioning our sector and improve our relationship with our consumers and New Zealand society.

Environmental Impacts

The wider environmental impact of commercial fishing remains under increasing scrutiny and is being used to restrict fishing activity through both access to fishing grounds and costs of fishing including mitigation. Whereas the concern was focused initially on protected species impacts (and still remains), concerns have now widened and relate to trophic effects, benthic effects, emissions and ecosystem effects. Without sensibly addressing these impacts, commercial fishing will find itself alienated from the consumers it seeks to serve and we will be subject to a range of proposals that aim to restrict our ability to fish. Fisheries Inshore proposes that the inshore trawling sector works proactively to identify measures that both protect critical habitats and investigates whether we can alter our gear and practices to improve and ensure any impacts do not significantly impinge on the productivity of the ecosystems our livelihoods depend on.

Bottom contact fishing is under significant growing pressure from society to improve its environmental performance. We currently use this method to harvest over 75% of our inshore catch. While the deepwater sector is currently bearing the brunt

of environmental activities interest in the form of seamounts, it has already commenced in the inshore sector with the various regional council proposals to reduce access to protect biodiversity and the government proposals in the Hauraki Gulf Marine Park. It is only a matter of time before that focus spreads to the entire inshore sector.

FNZ has a number of initiatives in progress, seeking to identify and protect through the Fisheries Act provisions areas of outstanding marine biodiversity. That programme will be implemented over a three year period. Done well we would not expect that programme to cause significant problems for the inshore finfish sector as the prime reason the marine biodiversity in such areas remains outstanding is the absence of commercial fishing in those areas. The programme will however need to be disciplined and we will need to be active in it to ensure that the Ministry constrains effort only on areas of outstanding biodiversity rather than sweeping indiscriminate areas that also include low biodiversity but high catch zones. FNZ has also commissioned targeted research into the issue of resuspension of siltation and benthic sediments by bottom contact fishing. That should be completed in late 2023. FNZ has also commissioned an update of the trawl footprint. The research will seek to use the Geospatial data now reported by all inshore fishing to FNZ. That more detailed information will be available to industry to be used in respect of benthic protection. Lastly FNZ has commissioned a project to establish a register of sites of significance to fisheries management. That project will not seek to identify such sites as previously foreshadowed but will instead provide a general listing facility on which any party may register a site. FNZ has not provided any details as to how such listings will be assessed for their significance or value. The registry facility will pose a risk to the sector if it used by Regional Councils and others as a credible site for marine biodiversity protection measures. We will work with FNZ on all these proposals to influence the outcomes.

It is against that context that we have assessed the future of the Preserve, Protect and Improve programme in respect of bottom contact fishing methods. This was intended to be a multi-year cross-industry programme but it has not proved possible to establish it as such. Fisheries Inshore had to go it alone and looked to shape the project around:

- characterising the New Zealand inshore fleet and its use of bottom trawling,
- understanding the trawl footprint
- identifying the areas of significance – marine biodiversity and juvenile grounds
- identifying existing lower impact gear settings
- reviewing alternative options.

FNZ has projects in progress to address the 2nd and 3rd objectives above and we have effectively curtailed any separate work on these until that information is available.

Discussions with research providers on the characterising of the fleet, a lack of project managers and a late interest from FNZ delayed any effective progress on the project. Consideration was given to undertaking a characterisation of the fleet rather than a population survey of the whole fleet but it is considered that only a population survey could provide the granularity sought for the programme. FNZ more lately approached FINZ with an interest in joining in on this work. FNZ has identified (what industry well knows) that gear configuration (both net and ground gear) changes and changing fisher motivations complicates the interpretation and use of bottom trawl CPUE information. We are working with FNZ on a joint survey and an annual updating framework. We see the inclusion of the work as being critical to the future use of trawl CPUE information.

The Sustainable Seas work to assess the effectiveness of bottom contact sensor developed by Zebratech has been promising but needs further testing and evaluation before we consider it will be accepted as a better assessment of the degree of benthic contact from bottom trawling than is currently being used by FNZ and other researchers. We remain committed to its use to measure relative benthic impacts of different gear configuration. Identifying those gear configurations which have lighter impacts will form the basis of promoting the configurations to industry and lightening the aggregate benthic impact.

A number of operators are currently undertaking trials to assess the effectiveness of long lining and potting as an alternative harvesting option. The evaluation of alternative options was a component of the Fisheries Inshore benthic impacts programme but we propose it will be undertaken as a future step after the characterisation and evaluation projects are providing results.

Protected species bycatch mitigation will remain important and our continued efforts on this to reduce protected species bycatch levels, establishing operational procedures with fishers to find risk mitigation and avoidance solutions are included in the Sustainability strand. Within this Leadership work we are proposing to lock in a more systems process to implement a Capture Response Management regime with FNZ and DOC that ensure readily sharing information in a timely manner to understand any significant events and to monitor and address any deficiencies in our mitigation methods. While DOC is amenable to the proposal, FNZ have been lukewarm and have sought to develop internal FNZ-only processes. We have no expectation of favourable outcomes from such internal processes.

Tarakihi Court Proceedings

Fisheries Inshore lodged an appeal in respect of the Gwyn J judgment on the Minister's decision on the setting of sustainability levels for east coast tarakihi in 2019. The Gwyn judgment if allowed to stand would have major implications for the setting of all sustainability levels for QMS stocks. Stocks must be managed on sound legal grounds in accordance with the Fisheries Act. As this will be important for all inshore finfish stocks, the costs of the litigation will be treated as a generic cost.

The Tarakihi proceedings were heard by the Court of Appeal in mid-March. Fisheries Inshore, Te Ohu Kaimoana, the Crown and Forest and Bird all presented their submissions at the appeal proceedings. A judgement had been expected prior to decisions for the September 2022 sustainability round being made but we now know that it will be at least November before the Court of Appeal decision is received. We expect a favourable outcome and doubt that any appeal to the Supreme Court will be lodged by any party.

Development of AI for Cameras

The implementation of cameras on the inshore vessels needs to be accompanied by the development of Artificial Intelligence to extract scientific and management information contained within the footage. We submitted the absence of an AI development stream was a fundamental flaw in the FNZ implementation of cameras and would deny industry the real benefits of camera implementation. We argued that cameras should be used to monitor both catches and returns to the sea, enabling greater fisher discretion to return unwanted catch to the sea and better information for fisheries management.

AI has been shown to operate successfully internationally in longline fisheries to identify species and lengths of the catch. A serial fishery such as bottom longline where fish are brought individually onto the boat and placement on a measuring grid allows for scanning to determine the species and length from the footage.

We have discussed with other parties including FNZ, other sponsors and vessel owners a proposal to implement AI on vessels in the bottom longline fleet using either the existing footage from the black petrel monitoring or obtaining new footage from the fleet specifically for the purpose. The bottom longline fleet is not due to have cameras installed until the end of 2023. The black petrel footage provides an earlier start that might assist FNZ to establish a national programme. We will look to intersect this work with our SFFF project on AI.

Priorities

Actions to support this include:

- the development of a constructive over-arching strategy for our organisation so that all work is prioritized, aligned and focused on moving industry to achieve its long-term goals
- the development of a communications and engagement strategy and programme to re-position the inshore finfish sector to re-connect with New Zealand consumers and New Zealand society
- working with FNZ in the identification of areas of outstanding biodiversity value and habitats of particular significance to fisheries management (section 9 c of Fisheries Act) and advocate pragmatic measures that ensure activities (fishing, other marine and territorial) do not compromise the productivity of the fisheries associated with those habitats
- investigating the footprint from inshore trawl nets and options to reduce the bottom contact without compromising overall catch for fishstocks
- working with fishers to trial AI technology with the bottom longline fleet.

Project Code	FIN 01
Cost apportioned among: All quota owners	
➤ 2022/23 Proposed Budget	\$330,000
➤ 2021/22 Approved Budget	\$409,500

Legislative and Policy Reforms

Objectives

This work strand arises from the need for Fisheries Inshore to be engaged in strategic legislative and policy reforms initiated by Government. In the past, changes have been proposed that could have significantly affected the future of inshore fisheries in New Zealand; but because of quality input in the processes many of these have been avoided to date.

- *Obtain greater value from industry and to prevent poorly targeted legislation, regulations and services being imposed on the sector.*
- *Participate in the development of measures in or associated with the Fisheries Amendment Bill 2022, including landings and discards, offences and penalties, pre-set decision rules*
- *Implementation of cameras*
- *Revitalising the Gulf Strategy*
- *Resource management Act replacement*
- *Development of a marine protection regime*
- *Participation in the Fishing Industry Transformation Plan*

Commentary

In July 2021, the Minister announced he would be proceeding with a package of reforms to fisheries management. The package includes:

- A vision and objectives for the Oceans and Fisheries portfolio - Ensuring the long-term health and resilience of ocean and coastal ecosystems, including the role of fisheries
- A new 'landings and returns to the sea' policy
- A related new offences and penalties policy
- The Government's **Revitalising the Gulf** - its strategy to progress the Hauraki Gulf Sea Change proposal
- Using cameras on the inshore finfish fleets – trawl, bottom and surface longline, set net and seine
- Improving fisheries management decision-making processes

Fisheries Amendment Bill

In April 2022, the Fisheries Amendment Bill was introduced. The Bill contains,

- an amended landings and return to the sea framework
- a new graduated offences and penalties framework
- streamlined decision-making (use of pre-set decision rules and alterations to ensure changes to recreational catch at the same time as commercial catch changes)
- extension to definitions for observation of fishing activities to include additional activities and equipment needed for that.

Fisheries Inshore provided a comprehensive submission to the Select Committee by 17 June 2022 and presented its points to the Select Committee on 29 June 2022. The Select Committee reported back to the House on 20 September 22. this process is proceeding with abnormal haste to enable commencement of the Amendment Bill for early November 2022.

Our submission generally supported the issues being addressed in the Bill but sought tweaks and amendments to the details. In respect of the landings component, our focus was to introduce:

- a provision which integrated the use of cameras, and
- a new landings policy to allow fishers full discretion at sea to return to the sea any dead or alive fish unwanted for species, size or economic value reasons.

In respect of the offences and penalties, we focused our submission on:

- the inequity in the proposal being based on 50 fish, and
- the need for relativity to harm to the fishstock of the offending.

In respect of the decision-making, the concern lay with the definition of a decision rule.

While there were 498 submissions, only 17 came from the commercial fisheries sector. The recreational and environmental NGOs focused on the content related to pre-set rules but their arguments were based more on a naive uninformed interpretation rather than arguing a considered opposition.

We noted that only the National Party and ACT representatives on the Select Committee engaged with Fisheries Inshore. but the time available was insufficient to either present and discuss issues or engage in informative discussions with the Committee. Subsequent to the Select Committee, Fisheries Inshore has lobbied extensively with politicians and fishers to establish a fit for the future provision that allows for integrated use of camera capability. With the Bill now reported back, we can see that our advocacy has had little effect.

The Select Committee recommended advantageous provisions relating to pre-set decision rules or Harvest Control Rules, but reduced the scope of the exceptions through placing limits on the negative economic purpose, introduced a new penalty to withdraw licenses and permits and prevent any income benefits from fishing for a period of 3 years for any fisher convicted of two occurrences of illegal discarding. No amendments were made in respect of requiring all QMS fish, not covered by exceptions, to be landed or having a more discretionary camera-monitored return to the sea policy.

The landings policy as set out in the Bill requires that all Schedule 6 and Minimum Legal Size provisions be reviewed by 2026. While they will continue unchanged until reviewed, the provisions may or may not continue following the review. However, FNZ has indicated that fishers will not be required to land either spiny dogfish or blue sharks but the release and catch balancing details have yet to be consulted. Fisheries New Zealand has yet to release the schedule and process to be used for the reconsideration of the Schedule 6 and MLS settings and cannot proceed with them until the Bill is enacted. The new regulations will need to be consulted with industry and other parties.

In addition to the legislative programme to implement the initiatives, important policy details and operational changes will need to be implemented. The reforms will only operate efficiently if adapts its style for the management of fisheries, moving to a more agile responsive form of management. These reforms will comprehensively and significantly reset oceans and fisheries management for the long term. The reforms will be implemented over a four year period but are aiming to have substantially achieved them (75%) by 1 October 2024.

The Harvest Strategy Standard

As a consequence of the role of the Harvest Strategy Standard in the decision-making in the tarakihi proceedings, FNZ is updating the Harvest Strategy Standard. Fisheries Inshore will participate as permitted in that review.

Marine Protection Regime

Legislation to replace the Resource Management Act is being introduced with a view to having a new resource management framework in place by the end of 2023. The replacement legislation is expected to provide for regional councils having the power to protect local biodiversity and to provide for a more strategic approach to oceans management.

When the initial proposals on the reform of the RMA were released for Select Committee consideration, all inshore SREs petitioned that the overlap between the Fisheries Act and RMA, identified through the Motiti decision, be removed so there wasn't duplication with all fishing impacts on biodiversity to be managed under the Fisheries Act. The Select Committee did not address our proposal suggesting the current blurriness will remain. We will address this again when the full proposal is introduced into Parliament in October/ November 2022, while still responding to councils including measures in their regional coastal plans under our Access Strand.

It is expected that, as part of the increasing attention being given to biodiversity, there will also be another new proposal to replace the Marine Reserves Act with a broader statute. The proposals for special legislation under the Government's *Revitalising the Gulf* may be a fore-runner of that.

There has been little progress achieved or signalled on an Oceans management framework. Notwithstanding MfE being the most appropriate responsible agency, DOC is providing the Oceans secretariat and is leading the work. There has been no communication from the secretariat as to progress or planning for 2022/23.

Revitalising the Gulf

The Government's work programme on ***Revitalising the Gulf*** - the Government's Strategy for the Hauraki Gulf Marine Park has broad national implications. While key elements of the Strategy could equally fit under both our Access and Sustainability strands, their scale and the proposal that the additional DOC's proposed marine protected areas will be progressed through special legislation means this work is being included under this strand for 2022/23.

There are a number of elements in the work programme that address protection of biodiversity. The most direct and obvious are the proposals for High Protection and Special Protection that are being progressed by DoC. Initial attempts by Fisheries Inshore and other SREs to engage with DOC over the proposals prior to public consultation were rejected. DOC has just started a six-week public consultation process on the proposals, after which a Bill will be developed to progress the MPAs. There remain concerns that such legislation will not include the disciplines in the current Marine Reserves Act and Fisheries Act.

Another key element is Fisheries NZ developing its first area-based fisheries plan for the Hauraki Gulf Marine Park. The draft plan sets a new direction for aspects of fisheries management including:

- establishing a Fisheries Plan Advisory Group to oversee the development and implementation of the Fisheries Plan,
- applying an ecosystem-based approach to fisheries management,
- prohibiting bottom trawling and Danish seining from the HGMP generally except in “trawl corridors” that have yet to be defined
- constraining the scallop dredge fishery within a footprint and eventually prohibiting the use of dredges in the HGMP – noting that the Minister’s most recent decisions already significantly constrain this
- promoting identifying and resolving localised depletion of fisheries resources experienced by recreational and customary fishers, and
- implementing inclusive and integrated regional participation in the governance of fisheries (though its progress on this is stuttering to date).

Fisheries NZ has established the Hauraki Gulf Fisheries Plan Advisory Group that was then tasked with providing feedback of the Draft Hauraki Gulf Fisheries Plan prior to the plan being released for public consultation, set to occur in October 2022. While the Fisheries Plan Advisory Group is set to become the high-level clearing house for all fisheries related work within the Plan and occurring in the HGMP, Fisheries NZ are intent on limiting the involvement of the advisory group. Industry is represented on the Advisory Group by Laws Lawson and Mark Ngata, with support provided by a subcommittee of Northern Committee members, Fisheries Inshore and RLIC.

To progress the development of trawl corridors within the HGMP, Fisheries NZ established a Hauraki Gulf Benthic Spatial Planning Advisory Group to participate in a Fisheries New Zealand/NIWA run project to evaluate the use of the Zonation planning tool. The project has failed to deliver a set of trawl corridor scenarios that could adequately inform management options, as was initially intended. The project highlighted the poor information available on the distribution of biogenic habitats throughout the HGMP undermining the robustness of the Zonation generated models and scenarios. This shortcoming was highlighted during the AEWG review process, but we remain highly concerned that FNZ will use the zonation model to generate trawl corridors for consultation without any further work to improve the accuracy of model or an assessment of its uncertainty.

Fishing Industry Transformation Plan

The Government has signaled that it will work with the fishing industry on an Industry Transformation Plan (ITP). While the scope will need to be agreed through a joint collaborative process between government officials and industry representatives, the Cabinet has directed that this ITP will focus on reducing the environmental impacts of fishing and increasing the value received from fisheries. Given its focus it will intersect with other aspects in our business plan and the sectors business. Fisheries Inshore will assist the industry working party in developing and testing programmes and projects that will assist these foci as it could provide opportunities for step-change work on key subjects such as benthic impacts and climate change emission reductions and adaption.

Collectively these areas of reform are vital to the stability and growth of the industry as a whole, and particularly for inshore fisheries. Fisheries Inshore will dedicate significant resource to this work in the 2021/22 year, working closely with Fisheries New Zealand and the inshore fishing sector to ensure the quality of the measures implemented.

Priorities

Fisheries Inshore will engage with industry and MPI on the key operational, policy and legislative reforms as advanced by MPI, MfE or DoC. Several important matters have been identified or are currently underway:

- Landings and discards policy and transitional measures
- Offences and penalties
- Electronic monitoring (including associated cost recovery)
- The review of the Resource Management Act including its relationship with the Fisheries Act
- Any new Marine Protected Areas policy and associated legislation
- Progressing the Government’s **Revitalising the Gulf** Strategy
- The review of the Harvest Strategy Standard

- Assisting with the development of the fishing industry transformation plan

Depending on government priorities, other likely areas of reform are likely to include:

- Developing more agile and responsive fisheries management practices and processes
- Developing and implementing an oceans management programme
- Developing a new marine protection programme

Project Code

FIN 02

Cost apportioned among:

All quota owners and Fishers

- 2022/23 Proposed Budget

\$175,000

- 2021/22 Approved Budget

\$180,000

Ensure Sustainability

Objectives

This work strand arises from the need for Fisheries Inshore to be engaged in strategic and operational processes to ensure inshore finfish, tuna and pelagic fish stocks are managed sustainably, and the effects on the aquatic environment from fishing are held within required limits using best available science and aligned with the long-term aspirations of quota owners and fishers. We consider that good fisheries management must be knowledge and science based. We contend that fisheries manager should set the targets with monitoring and analysis showing whether the measures are being achieved. The broader management targets for all stocks should be clearly understood so that operational programmes can be appropriately sequenced to assist orderly investment and review. Management should lead, science should assist.

Commentary

Fisheries Inshore participates actively in all working groups related to the inshore and highly migratory stocks and the aquatic environment. We endeavor to have the appropriate Fisheries Inshore fisheries manager attend and where necessary have contracted scientific advisers attend. The processes are time-consuming but are poorly attended by FNZ fisheries managers and other stakeholders, e.g. environmental advocates. FNZ managers do not currently drive these processes to ensure management problems are addressed.

Sustainability Measures

Each year FNZ has three sustainability rounds in which catch settings are consulted for the stocks. Our primary interest relates to the October round which relates to the primary finfish stocks. FNZ has and intends to use the other opportunities of February and May rounds to review lesser bycatch stocks that affect our sector and thus spread the workload of sustainability measures. The October round however is the priority round for Fisheries Inshore managers.

Fisheries Plans

Management of the inshore finfish stocks has been compromised by the absence of an approved framework for managing inshore finfish stocks. Such a framework would be included in a FNZ Fisheries Plan for inshore finfish. A draft plan was consulted on in 2010 but never finalised. A draft plan has been under development for the past three years and should be consulted on later this year. The plan should provide the strategic and operational contexts for the management of the inshore stocks and provides the basis for a medium-term research plan. While FNZ currently has a draft medium term research plan, there is no agreement to the management and monitoring frameworks for the stocks involved and the plan lacks any approved status. The Southern Inshore Finfish Management Company has developed its own informal plan and management frameworks for its stocks. Our Northern and Area 2 committees also operate a framework to assist orderly review but in all 3 cases with FNZ having no overarching Plan or commitment

In 2022/23, Fisheries Inshore will seek to initiate the development of a national strategic plan and stock management and monitoring frameworks for the North Island stocks. For the target or major stocks our initial thoughts are to undertake an independent trawl survey in each area – North Island East Coast (northern), North Island East Coast (southern), South Island East Coast and South Coast, South Island West Coast and North Coast and North Island west Coast on a five-year rotational basis and develop management procedures/ harvest control rules/preset decision rules for the review of catch limits in the intervening five years. or catch. The trawl-survey based stock assessments will serve to ground-truth the harvest control rules and provide for new rules to be developed. Harvest control rules will be developed for the by-catch stocks. This will be developed in collaboration with FNZ and may become the basis for the medium-term research plan.

FNZ has developed a fisheries strategic and operational plan for the highly migratory stocks. We will continue to participate in that process.

Habitats of Particular Significance to Fisheries Management

FNZ has begun a consultation on Habitats of Particular Significance to Fisheries Management (HPSFM). The Fisheries Act requires that decision makers should take into account the environmental principle that habitat of particular significance for fisheries management should be protected. FNZ have adopted an initial scope limited to spawning and juvenile areas as a primary productivity contributor to the sustainability of a stock. The FNZ proposal includes the establishment of a register for possible sites and then a subsequent scientific review of possible sites.

While Fisheries Inshore had previously contemplated undertaking its own programme to identify areas, it will contribute to the FNZ programme to ensure that the processes and areas identified consistent with the Fisheries Act and that the outcomes are appropriate.

Direct Purchase Stock Research

With the constraints of Government funding for stock sustainability research, all industry SREs, including Fisheries Inshore, undertake supplementary research funded from levy payers. Those requirements are developed with the Northern, Area2 and HMS committees.

The direct stock services are itemized in the Area Committee budget proposals on pages 21-23.

Aquatic Environment

Management of our impacts on the aquatic environment is probably the biggest threat to the inshore sector. At present, both FNZ and DOC have interests in the management of the aquatic environment. The theoretical boundaries are that DOC manages protected species and FNZ manages the impact of fishing on those protected species and the wider aquatic environment. In reality, responsibility is shared. This can cause problems in the governance objectives in that FNZ manages to the Fisheries Act objective of ensuring no adverse effects at a population level, generally accepted as not detrimental to the state of the environment whereas DOC manages to a zero bycatch, zero harm objective i.e. at the level of an individual protected species animal.

In 2022/23, we can expect the release of the NPOA-Sharks and the Hoiho Threat Management Plan and associated risk mitigation measures. We will participate in those processes but are already working with fishers in the areas concerned to get ahead of any agency plans to initiate additional mitigation measures. We will continue to participate in the Seabird and Shark Advisory Groups. These groups are the focal point for environmental advocates to promote their agendas.

The risk from commercial fishing to all seabirds is assessed at regular intervals. The risk assessment takes into account observable deaths – deaths that would be recorded if an observer was on every vessel and currently estimated to be around 4,500 per annum, and cryptic deaths – those deaths believed to occur but where the catches are not verified on the vessels. These cryptic deaths are estimated to be in the order of 9,000 per annum meaning, a total of 13,500 deaths each year. The risk assessment estimates that 8,300 or 65% of the seabird deaths are associated with inshore fleets. Of the inshore sector estimate, 56% (4,660) are attributed to the trawl sector, 2,411 (30%) to bottom longline, 13% (1,101) to surface longline and the remainder to setnet.

A new risk assessment methodology is under preparation. It is anticipated the new assessment will result in a general reduction in the assessed risk levels. The risk assessments guide population and mitigation research and the need for and development of any mitigation measures. Seabird species of major concern are Black petrel, Antipodean albatross and hoiho (yellow-eyed penguin). Industry is concerned that the replacement of observers with cameras and the inability of cameras to identify bird species caught may require industry and DOC to establish as a contingency a carcass retrieval process.

Marine mammal species of concern are Māui and Hector's dolphins and increasingly sealions. Māui and Hector's dolphins already have extensive protection measures and while further measures were consulted in 2021, no decisions have yet been announced. With DOC's assistance, we launched a carcass retention scheme for any Maui or Hector's dolphins caught by fishers. There have been no reported captures to date.

Neither DOC nor FNZ have a strategic plan or species/habitat management plans to guide the allocation of resources or decisions. In the past, we have unsuccessfully lobbied both groups to initiate such a process and will continue to press for such plans. We have also been frustrated in our management of protected species risks by not having timely access to vessel's non-fish protected species capture reports (NFPSC). While FNZ receives NFPSC information on a daily basis from every vessel, they will only release that information to industry on the basis of signed authorities from permit holders. Not all permit holders have given us that authority. We will seek to resolve that matter this year in conjunction with an attempt to establish a capture response process for significant protected species capture events. We have recorded our concern with FNZ and DOC at the lack of coordinated management given to protected species captures.

We are continuing to work with our fleets that are deemed to pose the higher levels of risk to protected species. With workshops and fisher involvement, these will focus on understanding the factors behind captures in those fleets and to establish and promote operational procedures or mitigation uptake to improve our bycatch performance and offset the risk of Government seeking to introduce additional regulatory mitigation measures. We are currently working with the Surface and Bottom Longline fleets to reduce their seabird captures. These are the fleets generating the most risk to those birds whose populations are under the greatest threat.

Priorities

Actions to support this strand in 2022/23 will include:

- Working with FNZ on the development of their Inshore Finfish Fisheries Plan
- Developing management and monitoring regimes for our stocks to provide the basis for a FNZ research plan
- Pursuant to Fisheries Plans, work with MPI to develop appropriate research planning for fish stocks and the aquatic environment

- Participate in MPI/FNZ fisheries and aquatic environment Working Groups, including stocks assessments for, Snapper 1 and 2, and Trevally 1 and 2, Gemfish 1 and 2, Alfonsino 2 and 3
- Engage in MPI's fish stock sustainability round processes to advocate for the inclusion of priority stocks and submit on consultation of proposed management measures
- Managing the provision of services (research, modelling, sampling programmes and management procedures) on behalf of the JMA1, East Coast TAR, SCA-CS fisheries, and the Area 2, Northern and HMS Committees
- Contributing to the Review of the Spatially Explicit Fisheries Risk Assessment methodology used to assess fishing related impacts on the environment
- Implementing the refreshed National Plan of Action - Seabirds and Sharks (including application of mitigation standards) including:
 - working with fishers to increase engagement in the Protected Species Liaison Programme, and reduce protected species by-catch levels through pragmatic, effective risk mitigation and avoidance measures
 - working with MPI and DOC through the Protected Species Liaison Programme to advocate for and develop appropriate risk-based mitigation measures and capture response protocols that are practical and achievable for reducing impacts on marine protected species (seabirds in particular)
 - contributing to the on-going implementation of the Threat Management Plan for Yellow-Eyed Penguins
- Participating in DOC Conservation Services Programme Technical Working Groups

Project Code

FIN 03

Cost apportioned among:

All quota owners and Fishers

- | | | |
|---|-------------------------|-----------|
| ➤ | 2022/23 Proposed Budget | \$240,000 |
| ➤ | 2021/22 Approved Budget | \$190,000 |

Access to Fisheries

Objectives

This work strand arises from the need for Fisheries Inshore to be engaged in strategic and operational processes to maintain and strengthen opportunities for sustainable commercial harvesting of inshore finfish, tuna and pelagic fishstocks.

Commentary

Fisheries Inshore is becoming increasingly engaged in defending access to the sector's fishing grounds. This is mostly in response to proposals to restrict access by others who perceive that fishing has undesirable effects that need to be better managed or who seek exclusive access to the marine space to advance their interests.

We have historically faced demands for Marine Protected Areas ie prohibition of fishing through Marine Reserves. While the processes have been protracted and expensive effectively stalling the programme, DoC is seeking to re-energise that programme but has been delayed by the need to work within the Oceans management framework. Whereas a replacement Marine Reserves Act was envisaged to be developed early in this Government's term, that has not happened and any development of marine protection reform has been delayed beyond 2023.

Fisheries Act Requests

We face increasing demands to exclude commercial fishing to better provide for customary non-commercial fisheries interests, recreational interests and aquaculture space. These include an increasing use of s186A and mātaītai. S186A measures are temporary 2 year closures that do nothing to solve the underlying fisheries management problems but are difficult to prevent being approved. Mātaītai were designed as permanent measures that close small discrete areas to assist customary non-commercial interests. Their approval first requires FNZ assessing that their imposition will not cause an undue adverse effect on commercial fishing. Notwithstanding this discipline FNZ approved an extensive mātaītai in the eastern Bay of Plenty that does not appear to meet that criterion and we have been working with other inshore SREs to contest that decision. Spatial zonation and changes to catch allocation are increasingly seen as an option to resolve resource access conflicts.

Regional Council Initiatives

However, the more recent key threat result from the Motiti Court decision that enables regional councils to regulate fishing activity in order to protect indigenous biodiversity provided a group of criteria are met. Resulting from this, advocacy groups are urging Regional Councils to insert rules in regional coastal plans to restrain fishing in order to protect biodiversity. These processes are protracted and resource hungry. Most regional or unitary councils have indicated they are seeking to review their coastal plans in line with the Motiti decision and the New Zealand Coastal Policy Statement. Northland and Marlborough have the most advanced programmes followed by Waikato and a number of other councils are seeking stakeholder input to develop draft plans. In 2022, Environment Court proceedings were held for appeals to the Northland Regional Council proposal in respect of the area from the Bay of Islands to Mimiwhangata. The judge reserved his decision to allow the parties to find a consensus outcome. No consensus was reached and MPI is now consulting on proposals to close certain areas under the Fisheries Act. At this point it suggests that any such decision will need to be reviewed. In the Marlborough review, the focus is on protection measures for king shags. It is expected that a preliminary set of proceedings for this matter will be heard by mid-2023. We are expecting that while other councils may be initiating programmes to review the coastal content of their plans, they may delay progressing them until there is greater clarity on the detail in the Government's reforms of the Resource Management Act.

Other processes that affect access to fishing grounds

In addition to the above we are also involved with other inshore SREs in participation in the first decisions looking to establish areas subject to wahi tapu (that will restrict fishing) where Customary Marine Title is granted to an application under the Marine and Coastal Area Act (that at a headline level was not meant to affect fishing). There are over 600 applications all around New Zealand and getting the framework and its implementation tested through the first cases will be important to protect inshore fishing interests.

We can also expect that there will further aquaculture applications throughout the country that may impact on effective operations. This year we also expect that, notwithstanding its previous defeats (with costs awarded against it that partially offset our costs), TransTasman Resources will again submit a revised application to the EPA for permission to excavate and deposition huge areas of seabed in the south Taranaki bight and we will again need to participate in those processes to protect members interests.

All these demands have two things in common

- commercial fishing will be the probable loser, being deprived of access to the very resources it relies on to prosper
- The processes are resource hungry, involving not just staff time but commissioning experts and generally being guided by lawyers.

We are also now at the stage in much of this work where robust defence is required. This makes this strand for 2022/23 a resource intensive and costly exercise. It highlights the importance to invest in the work proposed under the Leadership strand.

Priorities

Actions to support this strand in 2022/23 will include:

- continued engagement with Crown processes that will seek to limit access to our fisheries
- continue our work with SIFMC and other inshore SREs on the South East Marine Protected Area proposals, with Court proceedings being a strong possibility.
- participation in regional coastal plan processes particularly for Northland and Marlborough but also including Waikato, Bay of Plenty, Tasman Otago and Southland
- responding to customary fishing initiatives that would restrict commercial fishing access (s186A and mataitai under Fisheries Act)
- maintaining a watching brief and participation where needed in applications under the Marine and Coastal Areas Act
- participating in any significant resource consent / EPA processes that could significantly restrict access to commercial fishing grounds
- working with recreational fishers in Hawke's Bay on the agreed restrictions with the present Spring's box measures

Project Code	FIN 04
Cost apportioned among:	All quota owners and Fishers
➤ 2022/23 Proposed Budget	\$265,000
➤ 2021/22 Approved Budget	\$250,000

Work Collaboratively

Objectives

The work in this strand aims to continually strengthen and advance collaborative partnerships with the Government, industry and other stakeholders to achieve the sector's goals for inshore finfish, pelagic and tuna fish stocks.

Commentary

This Strand is different to others in this business plan. This is because it commits us to a way of working rather than specific projects. As such it applies across all the work done by Fisheries Inshore.

By its nature Fisheries Inshore must work with others. We recognise that the joint speed of travel on issues usually depends on working alongside other agencies and stakeholders that all hold legitimate (though different) perspectives to the views to Fisheries Inshore and its members.

Fisheries Inshore continues to make good progress in bringing the inshore sector together through the work with our Area2, Northern and HMS Committees and Southern Inshore Fisheries Management Company (SIFMC) as part of our team, assisting one another on programmes using our respective skills. The 2022/23 annual programmes for our committees have been approved by those committees and the quota owners and is included separately in these papers. This will be the fourth year that we will collect levies for SIFMC. We will continue work to strengthen the relationship between Fisheries Inshore and the Federation.

Fisheries Inshore will continue to work with SREs, Te Ohu Kaimoana and Seafood NZ as part of the Commercial Fisheries Forum. This semi-formal construct is a very valuable mechanism for industry to collectively consider matters of common interest and pool resources to purchase services. Where we work jointly on identified issues that need additional expertise the resourcing for our share of any jointly commissioned work is included in the resourcing of the appropriate strand eg Access and Reforms. This approach saves considerable costs to our sector than working separately. This strand includes some resourcing for other issues that will arise during the year ahead.

We have worked with the Nature Conservancy (TNC) on some issues and programmes in the last year. TNC's method of working is constructive, thoughtful and pragmatic so is well suited to collaborative initiatives with us. Where there is a strong commonality of views and TNC has both experience and expertise we are looking to collaborate further with TNC to assist our ability to achieve positive pragmatic progress. We work with a wider group of stakeholders in the Hawke's Bay on integrated marine management. We will also explore extending our collaboration with recreational fishers in that region on key fisheries matters.

Priorities

Actions to advance this work include:

- Continue the work for the HMS, Area2 and Northern Regional Committees
- Collaborate on joint work with SIFMC
- Participate in the Commercial Fisheries Forum with SREs, Seafood New Zealand, Te Ohu Kaimoana and other industry bodies and continue to commission and fund joint work of mutual interest
- Meet regularly with MPI, DOC and other Crown agencies
- Continue to work with other interested parties on specific issues.

Project Code

Cost apportioned among:

FIN 05
All quota owners and Fishers

- | | |
|---------------------------|----------|
| ➤ 2022/23 Proposed Budget | \$60,000 |
| ➤ 2020/21 Approved Budget | \$50,000 |

Communication

Objectives

This strand is to provide a strong cohesive national voice for inshore finfish sector that brings together fishers and quota owners to improve the public's understanding about why inshore fisheries matter. Work to enhance our domestic reputation as a responsible community of fishers who are kaitiaki for our marine ecosystems is crucial in preserving our access to our fisheries.

Commentary

This strand is a key part of Fisheries Inshore's work and must be focused, and our efforts strengthened if we want a more secure future. Communication with our members, decision-makers, government agencies and the public at large enhances our ability to influence decision-making to provide benefits for the sector. Others with contrary views have far greater resourcing meaning that if we are to be effective we need to be smart about how we convey our values and performance.

The work under this Strand includes input into wider industry communications through Seafood NZ, implementing a position and communications strategy for inshore fisheries to improve relations with our consumers and New Zealand society, improvements in the accessibility of our website, providing material about the social and economic importance of the sector, and responding to numerous requests from TV, Radio and print media.

Our inshore sector has been unable to date to establish a trusted and informed relationship with its consumers and New Zealand society. We need to be able to provide those stakeholders with reliable informative comment to offset unnecessarily misleading press. Inshore fishing has a strong compelling story to tell and we must find effective ways to re-connect with our support base.

We are facing significant change over the next 3 years. To ensure that decision-makers are provided with a more comprehensive perspective and have the pertinent facts to enable pragmatic solutions we will engage more directly with politicians across the spectrum on key subjects so they hear our perspective directly on the contribution the sector makes nationally and regionally, the major issues facing the sector and the challenges they provide.

The initiative will involve refreshing our website which has effectively not been updated since 2018 when our administration person left Fisheries Inshore. We have a number of options to refresh the website either as a standalone FINZ website or a website integrated into the recently updated Seafood NZ website. That decision will need to be taken in the light of the merger proposal. In the interim, we will seek to update the existing website with new commentary and uploading our submissions.

One proven way to forge our links with New Zealand consumers and society is through showing and telling compelling stories in programmes that enjoy a large audience. *Ocean Bounty* has demonstrated this over a number of series and we will again look to fund an episode in a future series.

Priorities

Activities to support this include:

- Review our website and communications activities in line with a positioning strategy
- Ensure all major submissions and media releases are available
- Provide information to assist people's understanding of the inshore finfish sector, and highlight the positive and innovative work the sector is doing
- Continue to work with Seafood NZ to ensure communications material promotes the industry's good work
- Develop appropriate material on Fisheries Inshore activities for broader communication and our contribution to New Zealand
- Ensure that Fisheries Inshore members understand and demonstrate best practice in all their activities
- Engagement with all political Parties
- Respond to media requests as appropriate

Project Code

FIN 06

Cost apportioned among:

All quota owners and Fishers

- 2022/23 Proposed Budget

\$150,000

- 2021/22 Approved Budget

\$90,000

Company Management

Objectives

Ensure resources are available to enable good governance, well-informed advocacy and maintain financially-sound accounting practices. This will include managing the change in our organisation that will arise should the proposed merger of the Deepwater Group, Fisheries Inshore New Zealand and Seafood New Zealand proceed

Commentary

Governance

Activities to support this include:

- Engage with regional quota owners and fishers through the Fisheries Inshore Area2, Northern Regional and HMS Committees
- Working with DWG, Seafood New Zealand and advisors on any merger proposal that is approved by members of all organisations
- Attendance at Board meetings
- Attendance at Seafood New Zealand Board meetings
- Advice as needed from legal and policy advisors
- Management of staff
- Administrative assistance where needed
- Rental of space with Seafood New Zealand, provision of equipment and training for Fisheries Inshore personnel
- Conducting AGM.

Financial Management

Activities to support this include:

- Continue to contract FishServe to provide full financial services for Fisheries Inshore as per the agreed contract and Fisheries Inshore financial policies.

Levies Administration

Activities to support this include:

- For the 2022/23 year contracting FishServe to provide Fisheries Inshore with the full process associated with levying its members in accordance with the Constitution and policies of Fisheries Inshore.

Project Code	FIN 08
➤ Cost apportioned among: All quota owners & fishers	
➤ 2022/23 Proposed Budget	\$190,000
➤ 2021/22 Proposed Budget	\$ 180,000

Contingency

Objectives

To have adequate funding on hand to be able to respond to a number of litigation liabilities while still being able to continue with the core programmes.

Commentary

This year there are a number of issues that have reached the point where we contest these to maintain our access to our fisheries and face restrictions in the instance at hand and the prospect that a particular decision will create a costly precedent for other parts of the country. Funding for the initial forays to defend our rights is provided in other strands but a number may proceed through subsequent legal processes. The items listed below may become active in the coming year:

- SEMPA (\$50k)
- Proposals in Northland to restrict fishing access through either RMA or Fisheries Act (\$25k)
- Unduly restrictive trawl corridors in Hauraki Marine Gulf Park (\$25k)
- Proposed fishing ground closures through RMA by Waikato Regional Council (\$50k)
- Assistance with possible Industry restructure (\$25k)

Priorities

Contingency funding has been approved in previous years to allow Fisheries Inshore to move quickly to defend our ability to access our fishing grounds and take significant opportunities to ensure better coherence, without needing to halt other significant programmes. Use of these funds required the explicit approval of the board and reflected the seriousness of the threat and the progress we have made protecting our interests before possibly moving to the next arena. The level of funding in the past has been set on the expectation that we will have some success in the work under our core programme, meaning not everything will be contested. Before requesting Board approval to access these funds we will also first seek to review priorities and fund additional costs through re-adjustment of other elements in our business plan. To date this has been achieved without calling on these funds.

Given the outcomes of previous years, rather than seek a contingency approval this year, we will endeavour to operate within the funding approved and in the circumstances of a need to fund additional activities, we will seek approval of the Board for additional funding or a transfer between activities.

Project Code	FIN CON
Cost apportioned among:	All quota owners & fishers
2022/23 Proposed Budget	\$0
2021/22 Approved Budget	\$50,000

Northern Regional Work Programme

At the Northern Regional Committee meeting on 20 September 2022, the Committee considered both the generic and stock-specific work programme and costs for the 2022/23 year. The budget and work programme were approved unanimously.

Generic Services for 2022/23

Project Code	FIN NOR
Cost apportioned among:	All Northern Inshore quota owners & fishers
2022/23 Proposed Budget	\$65,000
2021/22 Approved Budget	\$65,000

Areas of work that are expected to form a key part of the core services in the 2021/22 Work Programme include:

1. Participation in the stock assessment processes for SNA1 and TRE1
2. Development of stock management strategies – Likely stocks include SNA1, BNS1, HPB1, GUR1 and FLA1
3. National Plan of Action Sharks – Implementation
4. National Plan of Action for Seabirds – On-going implementation including the seabird mitigation circular for bottom longline fishing and an Operational Procedure for Black Petrel (across all methods).
5. Revitalising the Gulf: Government Strategy in Response to Sea Change – Including the development of the Fisheries Plan for Hauraki Gulf, benthic protection measures in combination with trawl corridors and the proposal to prohibit/ restrict fishing access through proposed protected areas legislation.
6. Continued engagement on the Northland Regional Council's Regional Coastal plan and other regional spatial management issues.
7. Continued engagement in the biosecurity response for Caulerpa.

Stock-Specific Services for 2022/23

Stock Trigger analysis (all fishstocks), cost apportioned among:	All stocks
2022/23 Proposed Budget	\$1,500
KIN1&8: CPUE Assessment CPUE (all stocks), cost apportioned among:	KIN1&8 quota owners
2022/23 Proposed Budget	\$5,000
HPB1: Characterisation and CPUE analysis (all stocks), cost apportioned among:	HPB1 quota owners
2022/23 Proposed Budget	\$10,105
SK11: Updated characterisation and CPUE analysis, cost apportioned among:	SK11 quota owners
2022/23 Proposed Budget	\$92,700
JMA1: Research species composition, cost apportioned among:	JMA1 quota owners
2022/23 Proposed Budget	\$66,000
SNA1: Updated CPUE, cost apportioned among:	SNA1 quota owners
2022/23 Proposed Budget	\$30,000
TRE1: Updated CPUE, cost apportioned among:	TRE1 quota owners
2022/23 Proposed Budget	\$10,000

Stock Specific Services 2022/23 Proposed Budget \$201,950

TOTAL 2022/23 PROPOSED BUDGET \$266,950

Area 2 Work Programme

At an Area 2 Regional Committee meeting on 21 September 2022, the Committee considered both generic costs and a stock-specific work programme for the 2022/23 year. The budget and work programme were approved unanimously.

Generic Services for 2021/22

Project Code	FIN AREA 2
Cost apportioned among:	All Area 2 quota owners & fishers
2022/23 Proposed Budget	\$62,000
2020/21 Approved Budget	\$ 62,000

Areas of work that are expected to form a key part of the core services in the 2022/23 Work Programme are:

- East Coast Tarakihi Rebuild Plan dependent on the Minister's sustainability decision.
- Engage with FNZ and science providers to develop an East Coast North Island fishing independent survey.
- Engagement with industry on the review of the Mitigation Standards and the Seabird Circular for the bottom longline fleet.
- Implementation of the NPOA Sharks and the NPOA Seabirds.
- Characterisation of the inshore trawl fleet – understanding our interactions based on data and developing the committee's strategic policy.
- Increased engagement on regional spatial management issues including HBMAC, continuation of Springs Box and engage with LegaSea Hawkes Bay on the design and implementation of spatial management for HPB 2.
- Continued engage with industry on the Fisheries Amendment Bill and its implementation.

Stock-Specific Services for 2022/23

Trigger analysis for all fishstocks, cost apportioned among:	All Area2 quota owners
2022/23 Proposed Budget	\$ 1,500
TRE2: Characterisation and CPUE analysis, cost apportioned among:	TRE2 quota owners
2022/23 Proposed Budget	\$ 20,000
BYX2: Characterisation and CPUE update, cost apportioned among:	BYX2 quota owners
2021/22 Proposed Budget	\$30,000
SKI 2: Characterisation and stock assessment, cost apportioned among:	SKI 2 quota owners
2021/22 Proposed Budget	\$56,100
HPB2: Characterisation and CPUE update, cost apportioned among:	HPB2 quota owners
2022/23 Proposed Budget	\$ 21,000
SNA2: Contingency fund, cost apportioned among:	SNA2 quota owners
2022/23 Proposed Budget	\$ 20,000
Stock Specific Services 2022/23 Proposed Budget	\$163,500

TOTAL 2022/23 PROPOSED BUDGET	\$226,500
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HMS Work Programme

The HMS Committee has discussed and supports the generic costs and the work programme for the 2022/23 year. As with all our programmes, elements may need to be adjusted to reflect changing priorities.

Generic Services

Project Code	FIN HMS
Cost apportioned among:	All HMS quota owners
2022/23 Proposed Budget	\$ 40,000
2021/22 Approved Budget	\$ 40,000

Areas of work that are expected to form a key part of the core services in the 2022/23 Work Programme include:

- Participate in next stages of the legislative fishery reforms announced by the Minister in July 2021
- Implementation of the NPOA Sharks, including developing industry guidelines for the safe and humane handling of sharks.
- Support a trial of a shark repelling device "*SharkGuard*"
- Continued implementation of NPOA Seabirds
- Continued engagement with the Liaison Officer programme and mitigation work for seabirds and other protected species.
- Development of Operational Procedures for surface longline fishery
- Engaging in MPI CCSBT and WCPFC processes
- Engaging in MPI science processes, research planning, MPI's fisheries management framework
- Cooperative work to assist reaching observer threshold ahead of camera installations by late 2023.

Stock-specific Services

None proposed for 2022/23.

Stock-specific Work

East Coast Tarakihi

Project Code	FIN TAR
Cost apportioned among:	All TAR1E, 2, 3 and 7E quota owners
2022/23 Proposed Budget	\$50,000 ¹
2021/22 Approved Budget	\$175,000
2020/21 Approved Budget	\$580,000
2019/20 Approved Budget	\$280,000

Objectives

To continue to provide robust information, analysis and management of east coast tarakihi fisheries that will lead to certainty and pragmatism in long-term management.

Commentary

Fisheries Inshore successfully gained a stay of sustainability decisions on the east Coast Tarakihi fishery for the 2022/23 year.

Arising from that decision and to meet the industry goal of achieving 40% B_0 for East Coast TAR no later than 2038, east coast TAR quota owners agreed to voluntarily shelve approx. 10% of available ACE for the 2021/22 year. Industry shelved 9.65% of the Total Allowable catch with FishServe demonstrating that it delivers on what it promises.

In addition, we have also complied with our Rebuild Strategy in terms of the East West split and managing catch within the limits prescribed as well as operating our move on rules and not fishing in our closed areas.

We participated in the Court of Appeal case in March 2022. Notwithstanding that this was held at this time with the aim of gaining the Court of Appeal decisions before the Minister was compelled (by the Gwynn High Court decision) to make a new sustainability decision for the 2022/23 fishing year, the decision report is not yet available but is expected in November 2022. The questioning of all parties at the Court of Appeal suggested a favourable judgment but that can only be ascertained from the decision and the text. We do not anticipate to appeal decision to the Supreme Court but if that was deemed necessary it would be action by all inshore quota owners not just east tarakihi quota owners and it is also likely as not that the wider industry would also contribute.

That means that the Minister is deciding on the catch limits for east Coast Tarakihi for the 2022/23 year based on the Gwynn High Court decision. His decisions will come into effect from 1 October but as yet they have not been conveyed to industry.

That means that the work programme must necessarily be based on assumptions and that the programme will be reviewed by a meeting of east coast TAR quota owners and fishers soon after the TACC decisions are announced.

This resourcing for this programme is therefore developed on the assumption that there will be further cuts to the TACC to all east Coast TAR QMAs but in the optimistic hope that they will not be that heavy that the east west splits in TAR1 and TAR7 cannot be practically continued. The programme therefore proposes that we still manage to those east west splits and monitor its effectiveness and that we constrain catch within the overall limits. It is also based on maintaining our move-on rules in all QMAs and continuing the Area2 closed areas although we will change the threshold of success to a pragmatic A++ of 97.5% and may discuss the boundaries.

We do not propose that the camera programme continue but propose at this point that the cameras (owned by Fisheries Inshore) remain on the vessels until we determine positive uses on behalf of industry for them. Our contract with Teem fish – the supplier of the EM programme will cease as soon as we have completed the analysis of this year data - that will likely mean end of November but resourcing is included to have it finish at the end of the calendar year. The programme to date has demonstrated that industry can act together to ensure nimble well-tailored programmes can be implemented – though there is a management load that comes with such programmes. In terms of averting lost catch, it

¹ The resourcing of this programme will need to be reviewed once industry has received the Minister's sustainability decision

represents a strong positive result to quota owners and we have demonstrated that our actions are meaning the fishery is recovering.

Priorities

Actions to support the programme includes, but are not limited to:

- Continuing to have FishServe administer catch-splitting in TAR1 and 7
- Continuing to adhere to 'move on' rules and voluntary closed areas
- Reporting progress against targets set out in the TAR Rebuild Plan for each key element of the programme

Underwater Baitsetter

Project Code

FIN UBS

Cost apportioned among:

All HMS quota owners & fishers

2022/23 Proposed Budget

\$0

Commentary

The Phase 1 trials conducted over a five-week period from the beginning of November to early December 2019. Following the completion of the Phase 1 trials Skadia agreed to make three further improvements to the bait setter prior to Phase 2 which involved taking equipment back to Australia. During January and February 2020 Skadia completed the preparatory work in readiness to make these changes when re-fitting the bait setter at the beginning of Phase 2. As planned, re-fitting would involve two Skadia staff flying to NZ. This was planned to align Phase 2 with the Bluefin Tuna fishing season and in conjunction with the vessel being used for Phase 2 it was scheduled to reinstall the equipment towards the end of March (21st - 23rd of March). In March 2020, the Covid19 travel restrictions meant that plans for completing Phase 2 (milestone 5) were disrupted. As of March 15 a result of COVID-19 travel advisories and subsequently travel restrictions meant that it was not possible for the required Underwater Baitsetter from Australia to enter the country to reinstall the equipment for use in the 2019/20 STN fishery starting in February 2020. Once the COVID travel bubble with Australia was opened up Skadia returned to New Zealand to confirm the status of the gear in preparation for refitting this equipment with updates including:

- reconfigured hydraulics to run off the main engine, rather than the generator and power pack
- updated software in the controllers
- fixing a pin in the capsule that was coming loose.

Resumption of the next stage was frustrated by COVID during 2021. The Phase-2 trial recommenced during the winter of 2022. The programme was not completed but is expected to do so before the end of the 2nd quarter of 2023. That will then enable Skadia to complete the final report and industry to uplift the remaining money associated with the final milestone mid-year 2023.

Automated identification and measurement of legally released fish

Budget for 2021/22

Project Code

FIN AIM

Cost apportioned among:

All quota owners & fishers

2022/23 Proposed Budget

\$50,000 (\$20,000 in cash; \$30,000 in-kind)

Commentary

This multi-year project set out to find whether it was practical to develop AI systems that could lead to a transformational shift in how inshore fisheries record length-frequency data of fish that are legally required to be returned to the sea. It aimed to develop an integrated tool that combined the use of cameras, machine learning and broader artificial intelligence (AI) to automatically measure legally released fish at sea. Developments that will provide invaluable learnings for wider AI utility and uptake in New Zealand fisheries more broadly. It provides an opportunity to implement a step change in fisheries management by:

- expanding data collection capabilities in a cost-efficient manner
- improving scientific stock assessments
- supporting dynamic management

Sustainable Food and Fibre Futures (SFF Futures) funding to the value of \$308,902 (excluding GST) has been approved for the project. This represents 79.87% of the total funding for the project. Industry contributions can be in cash and kind.

Because of the changes being proposed to the law regarding the release of fish to the sea, the focus of work has started with establishing systems of machine learning to recognize fish species and in the coming year will see at-sea trials with some trawl and a long liner.

We have industry participants that are willing to support this and we will be looking to integrate this with other work under our Leadership strand as that may reduce the call for funding there.

We will consider and discuss with the MPI funders whether in the current policy climate it still makes sense to develop a chute for release of small fish this could significantly assist identification of year class strength of many fish stocks that fishers will be through the full range of selectivity measures seeking to avoid. Such information is not possible for NIWA to collect but would assist with agile management of fisheries. There would need to be agreement that this work for both this trial and as an ongoing facility would be done under a special research permit.

Benthic Sensors (Sustainable Seas)

Budget for 2021/22

Project Code

FIN BEN

Cost apportioned among:

All quota owners & fishers

2022/23 Proposed Budget

*\$0 from quota owners
\$40,000 from Sust Seas*

Commentary

This multi-year project is fully funded by the Sustainable Seas Programme. It sought to develop a methodology that can measure the actual swept area under inshore trawl conditions so that we have empirical knowledge about inshore trawl in New Zealand rather than assumptions driving policy programmes.

The project goals were to calibrate bottom contact sensors, measure the contact between mobile gears and the seafloor, compare a selected and defined baseline swept area with a modified fishing gear swept area, and demonstrate a workflow to show decreases in swept area of habitat classes from gear modifications.

The project approach has been to design and use low-cost, easy-to-use sensors to measure contact to establish nominal swept area for status-quo inshore fishing gear, focusing on a trawl vessel(s) in the Hawke's Bay region. The data collected can be presented as a 'tow profile' and demonstrate when and where the various components of gear make contact. This data collected from status quo and alternative gear can then assess the effectiveness of those gear modifications to minimise bottom contact whilst maximising catches.

The project has been successful in demonstrating at a layman level that the sensors can measure material differences on touch by bottom gear. For the one vessel that was used for the project it was demonstrated that the sensors can detect statistically significant differences in bottom contact with different forms of mobile bottom gear. The results suggested that using one form of traditional gear the average bottom contact was 32% of the swept area and this reduced to only 6% of the swept area when using light bottom gear. These figures can be contrasted with the normal approach of assuming 100% or more recently 83% of the swept area being impacted by inshore trawl bottom gear.

In the 2022/23 year there will be further a- sea trials confirming the accuracy of the sensors followed by additional analysis and then the project report will be completed.

The sensors show real promise but to have confidence that it applies with different vessels trawling different substrates this work will need to be replicated. We have made allowance for some work on this under our Leadership strand.