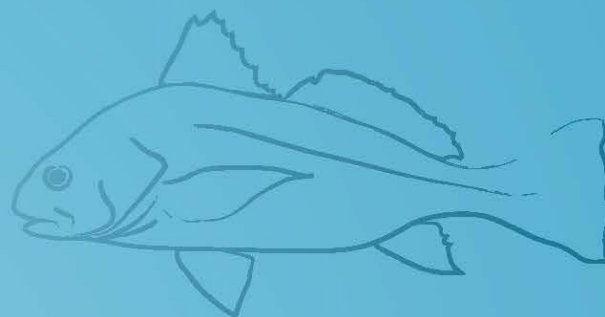


Fisheries Inshore New Zealand Ltd

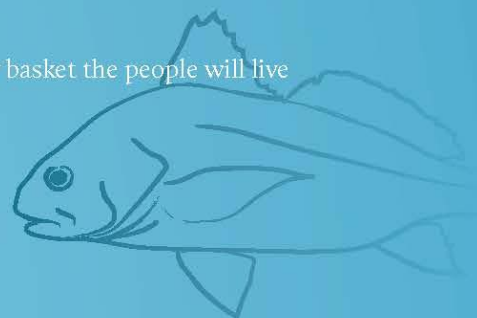
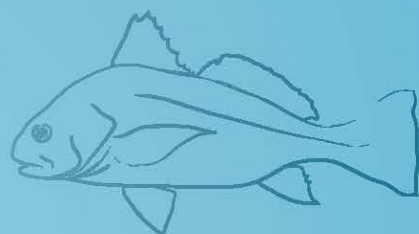
Business Plan 2019/20

September 2019



Naku te rourou nau te rourou ka ora ai te iwi

With your basket and my basket the people will live



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Message from Laws Lawson, Fisheries Inshore New Zealand Chairman

The last 12 months have seen much discussion of some very important issues for the inshore sector. These include the roll-out of electronic reporting, landings and discards policy, cameras on vessels and its associated offences and penalties regime, managing tarakihi stocks, the possibility of fisheries being partially managed under the Resource Management Act, deemed values, the Hauraki Gulf marine spatial plan, and Hector's and Maui dolphins.

All of these matters will have an influence on our businesses and our people. Some will be beneficial (if done well). Some will be disastrous (if done poorly). Some have progressed. Some have languished or disappeared without trace.

What is clear is that all of the issues we are facing need to be addressed, but addressed with thought, with care, with evidence, with fairness, and with a mind to delivering on the outcomes we are seeking. But what are the outcomes we are seeking?

The approach we have seen from government on all these issues lacks a coherent thread that would deliver on a broader and more strategic outcome. On the one hand government seeks to uphold the integrity of the Quota Management System and the Treaty Settlement, yet at the same time proposes interventions that would erode both. The Minister wants innovation, investment and fresh thinking, yet we are constantly responding to proposals that erode certainty and hence preclude investment and innovation.

Something has to change, and we need to be part of that change. Your Board has set itself on a course of constructively progressing fisheries management for the inshore finfish sector— this means us defining what we consider is needed for sound long-term fisheries management and all our members jointly investing to ensure this is done in a cost-effective manner. As part of this, earlier this year we met with the Minister and presented him with an Inshore Fisheries Plan that would go some way to guiding how we manage inshore fisheries and provide a basis for a more strategic and coherent approach. The Minister and MPI indicated a keenness to advance that work but progress has been slower than all would have liked. Despite that, we are still working with government to ensure the policy and operational changes we collectively make advance fisheries management rather than set us back.

Our working relationship with MPI is strong and they remain willing to have open and constructive discussions with us. In the meantime, we have not stopped, and cannot stop, working to make improvements to how we operate. The summary of the 2018/19 year outlined herein illustrates some of the advances we have undertaken and the proposed Business Plan for the coming year will build on that work.

Some important items on our work programme include the following:

- On-the-water trials of various net configurations to more selectively target catch
- Testing a bait-setting device in the HMS fishery to eliminate seabird bycatch
- Operational improvements across the fleet to reduce risks to protected species
- Work to identify and protect habitats of particular significance for fisheries management
- Investment in management and monitoring plans for key fisheries
- Policy input into deemed values, landings and discards and other key initiatives

While we will continue to work with MPI on the big picture, we still have plenty of opportunity to improve how we operate and to advance the interests of the inshore sector.

We have much to offer New Zealand, not just great food, but jobs and other opportunities for New Zealanders and regional communities. That's a contribution worth making regardless of what the big picture may be.

Laws Lawson—Chairman

Fisheries Inshore Overview

Fisheries Inshore New Zealand (*Fisheries Inshore*) is the national voice of inshore finfish, Coromandel scallops, and pelagic & tuna fisheries. We represent quota owners, ACE holders and commercial fishers.

Fisheries Inshore brings together policy, technical, fisheries and aquatic environment management, practical fishing experience and science expertise to provide strategic and operational benefits to our members.

Fisheries Inshore's key outputs are as follows:

- The development of agreed policy frameworks, processes and tools to assist the sector:
 - to manage more effectively the fish-stocks we represent
 - to manage their impacts on the associated ecosystems within socially acceptable environmental limits
- To work positively with other fishers and users of marine space where we carry out our harvesting activities

Our Vision

Healthy sustainable fisheries that are internationally competitive, profitable and recognised as the preferred source of wild caught fish for consumers worldwide.

Our Mission

To provide dynamic and transparent leadership, inform decision-making and actively engage with our members, officials and other stakeholders as we advocate for the increased recognition of the value of New Zealand's inshore fisheries.

Our Fisheries

New Zealand's inshore fishery extends around our 15,000 km coastline out to about 12 nautical miles in water depths to about 200 metres. Our pelagic and tuna fisheries operate both within this zone and out to our EEZ limit, and beyond, using both trolling and surface long-lining. The most common harvesting methods in our inshore waters are trawling, set netting, seining, bottom long-lining and potting.

The predominant fish species caught by New Zealand's inshore fishers are snapper, tarakihi, blue cod, bluenose, warehou, gurnard, rig, blue moki, flounder, hapuka (groper), trevally, stargazer, school shark and John dory. Tuna and pelagic fishers catch southern blue fin tuna, skipjack tuna, albacore, kahawai and mackerels.

New Zealand's inshore fishers provide high quality seafood that is harvested sustainably under the quota management system. We catch over 70,000 tonnes per year. Our fish are sold into New Zealand's domestic market, fresh or processed, and exported to international markets, chilled, frozen or processed. That fish generates annual revenues of approximately \$500 million and provides an estimated 4,400 jobs in the fishing, seafood processing and supply industries.

The inshore fleet consist of approximately 600 vessels, ranging in size from 40 metres to trailer boats. They operate from over 120 coastal locations from Ahipara in the north to Stewart Island in the south, from Hick's Bay in the east to Riverton in the west and all points in between.

Fisheries Inshore Operational Framework

Fisheries Inshore is a not-for-profit organisation that represents the interests of members who collectively own more than 51% of the quota in 177 inshore, pelagic and tuna fish stocks and have shareholdings in the remaining 60 or so other fish stocks.

Fisheries Inshore has a governance structure with Board level membership representing quota owners, fishers and ACE holders along with affiliated Commercial Stakeholder Organisations (CSOs). The Board meets on a regular basis. The Chief Executive is responsible to the Board for delivering the annual programme and is assisted by staff, key specialists and representatives from member companies and affiliated CSOs.

In addition to the Board, FINZ has a governance structure that provides for management of specific fisheries through affiliated CSOs, or regional or species committees. These CSOs or committees determine fisheries management matters relevant to the fish stocks they represent.

At present, such committees exist for Area 2 (generally East Cape to Kapiti Island), Northern (generally FMAs 1 and 9) and the Highly Migratory Species. In the South Island, the CSO *Southern Inshore Fisheries Management Company Ltd* continue to be active in management and research work. Fisheries Inshore has been working closely with quota owners and fishers and discussions continue about future governance changes.

Work to formalise the relationship between Fisheries Inshore and the *New Zealand Federation of Commercial Fishermen* did not advance as we had hoped. This was not through any lack of intent, but rather a lack of resource and other priorities. Fisheries Inshore and the Federation continue to work closely together and will advance this as time and resources allow.

Fisheries Inshore is funded by member levies. The levies are based on quota holdings for quota-holders and a flat fee for fishers. Levies have three components:

- The levies required to fund the core activities of Fisheries Inshore (see pages 21-27)
- The levies required for sustainability research programmes for some stocks that are managed nationally
- Levies to fund the work approved by Regional and HMS Committees that includes both generic activity for the committee and stock- or fishery-specific programmes

Role, Mandate and Relationship with Industry Groups

The work of Fisheries Inshore focuses primarily on generic matters or processes that may set a precedent for all stocks or impact on fisheries at a national level. As part of this, Fisheries Inshore progresses aspects of selected policy and strategic work in conjunction with other Sector Representative Entities (SREs) being the Deepwater Group, the Rock Lobster Industry Council and Paua Industry Council.

Examples of key work areas for Fisheries Inshore include:

- Policy development
- Legislative change
- National co-ordination of fisheries management strategies and frameworks
- Relationships with government organisations
- Precedent setting matters; and
- Management of national stocks such as tarakihi and bluenose

In contrast to Fisheries Inshore, Southern Inshore and the HMS, Northern and Regional Committees largely concentrate on stock-specific issues or those established processes that have an effect in a confined region. Those issues include:

- Managing fish stocks – Harvest strategy settings, TAC/TACC reviews, deemed values, research and development of management plans
- Participating in local processes – customary closures, marine reserve proposals, aquaculture development
- Operational management – codes of conduct; protected species risk mitigation; voluntary closures

Key Objectives and Performance Strands¹

The work of Fisheries Inshore has grown to become a mixture of strategic, operational and corporate activities. The strands of the business plan set out below can be classified into those that are:

- Strategic – initiated by either Fisheries Inshore (Leadership) or a response to external initiatives (Legislative and Policy Reform);
- Fisheries Operations – these may contain a mix of both industry and externally-driven processes (Ensure Sustainability and Access to Fisheries)
- Corporate Activities needed for effective performance of the Company (Working Collaboratively, Communicate Well and Company Management)

Leadership

Provide advice, processes and tools at a national level that can be applied both nationally and regionally to enhance fishery performance. 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 stocks.

Legislative and Policy Reform

Respond in conjunction with the wider seafood industry on national policy reforms and legislative proposals. Prevent poorly targeted regulations. Obtain greater value for members from industry and government services through clarification of role and priorities, and better targeted procurement of services that benefit our fisheries.

Ensure Sustainability

Work with industry, the Government and other fisheries stakeholders to ensure inshore finfish, tuna and pelagic fish stocks are managed within sustainable fisheries and aquatic environmental limits using best available science, and aligning with the long-term utilisation aspirations of quota owners and fishers.

Access to Fisheries

Maintain and strengthen opportunities for sustainable commercial harvesting of inshore finfish, tuna and pelagic fish stocks. Ensure spatial restrictions are based on scientific needs and best available information.

Work Collaboratively

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.

Communicate Well

Be a strong and cohesive national voice for industry that brings together fishers and quota owners to improve the public's appreciation of inshore finfish, pelagic and tuna fisheries. Work alongside the government and NGOs to enhance our domestic and international reputation as a sustainable, responsible community of fishers.

Company Management

Ensure resources are available to enable good governance, well informed advocacy and maintain financially-sound accounting practices.

¹ Each of these key performance strands must make sense in themselves but also operate in a manner that is not counter-productive to progress in the other key elements. In this regard, they can be thought of as individual strands in a rope – each making the rope stronger, without compromising the others and with the sum – the rope – being much stronger than the individual parts. In many cases the work undertaken overlaps a number of strands and work done in one strand assist others.

Making Progress—A Brief Report on the 2018/19 Year's Work

The 2018/19 fishing year has been eventful, again. We continue to navigate turbulent waters of public opinion and will do so again next year as we move into the General Election. Rough seas can be navigated more easily than turbulence, which is inherently unpredictable.

Our preferred mode of work is to collaborate with MPI and DOC to advance fisheries matters and address the effects of our activities on the wider marine environment; that is the path to real success. As outlined below, we have made significant progress in several areas. But for every successful process we seem to get blindsided by another. Not only does this erode confidence and trust, but it often results in poor outcomes, or none at all.

We continue to try to work constructively with government at all levels; our goal is to ensure that work in fisheries is in the collaboration category, rather than in the form of unwelcome surprises.

Leadership

Fisheries Inshore completed a comprehensive Fisheries Plan for inshore finfish early in the fishing year and met with the Minister to seek his support for this work. At the meeting on 1 November 2018, the Minister was enthusiastic about the Plan and directed his officials to work with us to refine it and consult with other interested parties with a view to having it in place by 1 October 2019. The Ministry dutifully held meetings with a range of stakeholders before any progress stalled, nothing has since emerged. We are encouraging the Ministry to expend more effort on this work as we consider providing some guidance on how government intends to manage fisheries and the services required provides useful disciplines that also give much-needed certainty.

The Minister made a welcomed decision on TAR for the 2018/19 fishing year, although a 25% TACC reduction was a considerable hit to the industry, this was far better than what MPI had proposed. As part of the Minister supporting the Industry plan, we have implemented catch spreading, enhanced reporting and commenced gear trials in TAR2 and 3 to improve selectivity (and hence increase the speed of the rebuild). There have been some teething issues associated with this work, but it shows that the inshore sector is willing to step up and show genuine leadership and commitment to managing our fisheries. We are ready for this to continue, and go even further next year as set out in our 2019 response, if the Minister decides to again endorse our rebuild strategy. We consider that this will not only assist the eastern Tarakihi fishery but a number of others too.

Fisheries Inshore was again involved in Seafood NZ's Promise campaign as its third year rolled out. As part of this year's campaign, Seafood NZ conducted a Roadshow which visited fishing ports around the country to present the Promise and the Code of Conduct with the wider industry. Fisheries Inshore attended most of these port visits to discuss with fishers how we can live up to the Code of Conduct in a practical sense and to hear from the industry about any wider operational issues that were on the minds of attendees. This proved to be a valuable exercise for both Seafood NZ and Fisheries Inshore.

We have continued to promote improved standards of fisheries management for New Zealand's inshore fisheries; these are discussed in other strands below.

Legislative and Policy Reform

The major policy reform for the year was purported to be MPI's *Your Fisheries, Your Say* that proposed change to a broad range of fisheries management settings, most notably rules around landings and discards. The consultation paper was short on detail and analysis which made responding difficult. That said, this is a subject that industry has repeatedly stated must be pragmatically addressed for years and so Fisheries Inshore and other SREs provided a robust submission and engaged in conversation with MPI staff in the period following. To date we have seen nothing more on this matter.

Notwithstanding earlier assurances from the Minister that he would not progress with cameras on boats without addressing a number of practical matters, the Prime Minister announced in early June that boats commercially fishing in the Maui zone would be required to carry cameras from 1 November 2019, with the Government meeting the initial purchase costs. We continue to engage on ensuring any data is used for fisheries management purposes only with protection of privacy and intellectual property.

Later in the year, government sought views on the Threat Management Plan for Maui and Hector's dolphins. The surprising scale of the measures proposed meant this had significant implications for broader policy and regulatory settings for other protected species and constituted a significant erosion of the Members' rights and interests, and to

Settlement assets. Fisheries Inshore signalled its willingness to work with government on a range of options to mitigate risks from fishing, but also responded forcefully regarding the overreach by government and the shonky information base for the proposed management measures.

This year also saw work progress on refreshing the New Zealand Biodiversity Strategy 2000. The 2020 refresh of the Strategy will guide a range of measures to ensure New Zealand's biodiversity continues to thrive. Fisheries Inshore is represented on the Stakeholder Advisory Group and has sought to ensure that the 2020 Strategy is outcome focussed and interventions based on sound evidence.

Deemed values also received attention this year. A joint MPI / Industry working group reviewed the 2012 Deemed Value Guidelines and has made significant progress to ensure that deemed values are applied appropriately and in a way that does not distort ACE markets or provide unhelpful incentives. While we await the final outcome of that review, and reserve our judgement until that is promulgated, the constructive engagement and collaboration on sensible solutions is an exemplar of processes we would like to see continue in fisheries management.

The regulatory details around electronic reporting and GPR were also finalised in the 2018/19 year. This technology has the potential to greatly improve the information available to managers and reduce the administrative burden for fishers. Fisheries Inshore worked hard on numerous technical reporting requirements and made significant headway. While a range of matters are still unresolved, we are working constructively with MPI's Compliance and Management staff to ensure these are considered and pragmatic solutions are found. This work is ongoing.

Associate to ER/GPR is electronic monitoring. Industry remains supportive of this technology if it is applied in a thoughtful manner and if a few remaining issues are resolved. The Minister has undertaken to ensure these matters are addressed before the wider rollout of cameras, and we remain willing to work on the few remaining issues so this technology can be used to add value and confidence.

We have yet to see any substantive policy or legislative announcements on other key issues such as marine protection legislation. We expect work this will occur during this electoral cycle. We intend to commence work on Habitats of Particular Significance to Fisheries Management in the 2019/20 year.

Ensure sustainability

Fisheries Inshore was an active participant in science and management processes, with resources directed at both stock management and the effects of fishing on the aquatic environment. Fisheries Inshore was represented at MPI/FNZ Working Groups, provided submissions on the sustainability reviews of TACs, deemed values, and participated in various policy development forums.

A key initiative last year was developing the industry's *Tarakihi Management Strategy*. This year we implemented that Strategy and followed up with a strengthened 2019 version in response to the additional large TACC reductions proposed by MPI. We are continuing to work with MPI to provide confidence that our proposals will be better than the large TACC reductions they propose. We await the Minister's decisions.

As in previous years, significant resources have been devoted to the effects of fishing on seabirds, marine mammals and other aspects of the marine environment. We have again been active in the Seabird Liaison Officer Programme to develop and implement a set of fleet-based Operating Procedures and risk mitigation plans for every inshore commercial vessel by the end of 2020.

The plans will address all protected species and will contain vessel-specific measures, monitoring, event reporting and audit processes. Implemented primarily through the Department of Conservation Liaison Officer programme, Fisheries Inshore New Zealand will develop material for ongoing education, outreach and business improvement processes. MPI/FNZ and DOC will participate in the monitoring and reviewing components of the programme.

Along similar lines, Fisheries Inshore is leading work to trial a bait-setter in the surface longline fishery. This work is being supported by DOC, MPI and Southern Seabird Solutions and received favourable comment from Ministers Sage and Nash in the media. In a recent meeting with Hon Sage, we discussed this as an excellent example of government and industry working together to reduce the effects of fishing.

Access to Fisheries

We were successful in our judicial review regarding the application by Trans-Tasman Resources (TTR) to mine iron sand off Taranaki. Following that, TTR appealed to the Court of Appeal and the matter is set down for 24-26 September 2019.

Another high-profile case is the *Motiti* decision of the High Court regarding the extent to which Councils have jurisdiction to intervene in fisheries matters under the Resource Management Act. While the High Court provided some useful guidance, the matter was appealed to the Court of Appeal and heard on 9 and 10 July 2019. We are concerned by the Crown's changed position at the Court and await the Court's decision on that matter.

There was progress on a government response to the Hauraki Gulf Marine Spatial Plan (SeaChange) that was provided to government in late 2016. Ministers Sage and Nash announced they would appoint a Ministerial Advisory Committee to assist government to assess the recommendations made and provide advice on implementation. Jeremy Helson has been appointed to that eight-member Committee as one of four non-Maori representatives.

Collaboration

Fisheries Inshore has continued to broaden its member base and now represents about 75% of the sector by value and 73% by volume.

Relationships remain strong with other fishing sectors. The pan-industry Commercial Fisheries Forum continues to meet monthly and co-ordinate work across SREs, Seafood NZ, the Federation, several CSOs and Te Ohu Kaimoana.

Within Fisheries Inshore, regional committees have been operating effectively for Area 2, the HMS sector, Coromandel Scallops and Northern Inshore.

A more formal working relationship has been proposed with the Federation. While progress has been limited, this is primarily due to a lack of time, focus and other priorities as opposed to any conscious decision not to advance this work. Fisheries Inshore and the Federation continue to meet regularly and work closely on a range of matters.

Fisheries Inshore continues to meet regularly with various government agencies, eNGOs, and other representative organisations as required.

Communication

Fisheries Inshore has again been involved in several communications initiatives this year. *OpenSeas* remains available for companies to use as a source of robust and independent information and has been updated with the latest information for businesses and consumers. Responses to date have been positive and we will continue to work to increase the value of this initiative, including the addition of new species.

The third season of *Ocean Bounty* has been in production this year and will hit our screens in September 2019. Fisheries Inshore again sponsored an episode this year and agreed to also co-fund another special project with Te Ohu Kaimoana that focussed on the impact of the Hector's and Maui Threat Management Plan and the fishing community in Taranaki.

Seafood NZ's *Promise* campaign also kicked off its third year. As discussed above, Fisheries Inshore made a contribution to this important work.

Direct media engagement has increased significantly this year with Fisheries Inshore doing media with print, radio and mainstream television on a range of issues. The support of expert communications staff in Seafood NZ has been vital to ensure the inshore sector's voice is heard.

Company Management

At the 20th August 2018, Fisheries Inshore had 112 members with 95 being quota owning members and 17 being ACE Holders and Fisher Members that do not own quota. The quota owning members collectively own more than 51% of the quota in 177 fishstocks and between 40 and 51% in a further 16 fishstocks. Fisheries Inshore is still encouraging other industry participants to join.

Regional committees have been established and are running well for Area2, Northern Inshore and the HMS fisheries.

We have robust financial reporting processes in place and have again returned a favourable audit from BDO for the 2017/18 year.

Budget summary for 2019/20

As is evident from the previous pages, Fisheries Inshore is involved in a broad array of work. While some has the potential to be beneficial to the sector, there are significant risks posed by other proposals and processes.

The table below summarises the budget across the eight Strands of the Fisheries Inshore Business Plan, these make up the core services levy for 2019/20. In addition, work approved by the three regional committees is summarised below, as is some stock-specific work funded directly by quota owners.

The details of each Strand are provided on the pages that follow.

GOAL	KEY WORK ITEMS	SUBTOTAL 2019/20
Leadership	Gear technology, fisher handbook, habitats of particular significance for fisheries management, baitsetter	\$
Legislative and Policy Reforms	Camera policy and legislative change, marine reserves legislation, follow-up on <i>Your Fisheries Your Say</i> , Hector's and Maui dolphins	\$
Ensure Sustainability	MPI science processes, research planning, DOC CSP programme, NPOA—Seabirds and Sharks, tarakihi, consultation on TACs and deemed values	\$
Access to Fisheries	Hauraki Gulf Spatial Plan, follow-up on TTR seabed mining and Motiti appeals, South-east MPA process	\$
Work Collaboratively	Collaborate with CSOs, SREs, Seafood NZ, and Regional Committees, meet regularly with MPI, DOC and eNGOs, work with Federation	\$
Communication	Communication with members, establish credibility and improve public understanding of the value of inshore fisheries; <i>OpenSeas</i> ; <i>Ocean Bounty</i>	\$
Company Management	Good governance, sound financial management, well-informed advocacy, fair and equitable levies, good decision-making, Regional Committees	\$
Contingency	Possible legal action: Hector's and Maui TMP, Motiti and TTR	\$
Core Services Budget		\$
Regional Committees	Area 2: Collaboration with HBMAC Group, stock-specific research and management	\$
	HMS: Generic and stock-specific work, retaining focus on seabird by-catch reduction	\$
	Northern Inshore: Generic and stock-specific work, operational improvements, JMA1	\$
Collection of levies on behalf of Southern Inshore Fisheries Management Company Ltd [#]		\$
TOTAL FUNDING: Fisheries Inshore, Area2, Northern Inshore, HMS, Southern Inshore		\$

Additional Stock-Specific Work (Funded Directly by Quota Owners)

Tarakihi (contingency that assumes Minister accepts TAR Management Strategy)	\$
SCA CS	\$

[#] Southern Inshore Fisheries Management Company Ltd is holding its AGM to recommend its programme on 2nd September.

Leadership

Project Code	FIN 01
Cost apportioned among:	All quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objectives

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 facilitating best practice in fisheries management and harvesting of inshore finfish pelagic and tuna fish stocks.

Commentary

Last year, Fisheries Inshore developed, and provided to the Minister, a *National Inshore Finfish Fisheries Plan* that set out the guiding objectives for fisheries, the priorities, and the services needed to manage inshore stocks. This remains a priority as such a Plan would provide greater certainty for industry about MPI's intentions and priorities. We will continue to work with MPI to advance this matter—recognising that we are now in the “operate” rather than “design and build” phase of this work, it is funded in the 2019/20 year under Sustainability.²

Fisheries Inshore worked with MPI to facilitate a project to document changes in fishing gear. We consider this baseline information will be important to assess the effects of gear improvements that are increasingly a focus for the inshore sector and will form part of our wider work programme, initially in east coast TAR. We are working with providers of electronic reporting software to integrate this information into routine data collection.

Work on gear technology also includes mitigating interactions with protected species, the routine component of which is incorporated into the *Ensure Sustainability* Strand of the Business Plan. More substantive projects such as trialling a bait-setter in the HMS fishery are included in this *Leadership* Strand.

Another area of *Leadership* includes commencing work on habitats of particular significance to fisheries management (HPSFM). Protecting important habitats has the potential to assist greater recruitment into our fisheries, contribute to wider government initiatives on marine protection (rather than through marine reserves), and provide for greater recognition and protection from land-based stressors via the Resource Management Act.

We will also step up our political engagement to ensure all political parties understand the importance of the inshore sector to regional New Zealand and to the wider economy and formulate policy accordingly.

Priorities

Actions to support this include:

- Work with fishers to advance improvements in gear technology
- Commence a work programme on HPSFM
- Develop a handbook to guide compliance with legal provisions and promote operational best practice
- Political engagement with all Parties
- Scoping of options for industry research to reduce the benthic impact of fishing gear

² Several work items span several Strands of the Business Plan. For example, risk mitigation work could sit within *Leadership* or *Ensure Sustainability*. Our general approach is that new initiatives are housed in *Leadership* and migrated to *Ensure Sustainability* as they mature and become business as usual.

Legislative and Policy Reforms

Project Code	FIN 02
Cost apportioned among:	All quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objectives

Obtain greater value from industry and to prevent poorly targeted legislation, regulations and services being imposed on the sector.

Commentary

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; many of these have been avoided to date. More recently, the Minister has undertaken to address some long-standing issues, the resolution of which would constitute significant progress if we are able to collaborate on pragmatic measures that build on the incentives in the QMS. These issues include some important matters for Inshore Fisheries and FINZ will dedicate resource to resolving these matters.

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, e.g.:

- Landings and discards policy and transitional measures associated with change to current policy and law including
 - Deemed values
 - TACC setting
 - Related offences and penalties
- Policies associated with the use of electronic monitoring including
 - Privacy, intellectual property and access to data
 - Cost recovery
 - Costs and offset of other services
- Responding to policy initiatives that stem from the Hauraki Gulf Spatial Plan or other work by the Hauraki Gulf Forum

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 next year.

Depending on government priorities, other likely areas of focus include:

- Review of the Marine Reserves Act 1971 or other marine protection initiatives
- The New Zealand Biodiversity Strategy 2020
- The relationship between the Resource Management Act 1991 and the Fisheries Act

Ensure Sustainability

Project Code	FIN 03
Cost apportioned among:	All quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objectives

Work with industry, the Government and other fisheries stakeholders to ensure inshore finfish, tuna and pelagic fish stocks are managed sustainably, effects on the aquatic environmental are within required limits using best available science, and aligning with the long-term aspirations of quota owners and fishers.

Commentary

This strand is our core “business as usual” fisheries management activity that covers the sustainability of both the fish stocks and aquatic environment. Our general stance is that good information and science is essential to inform evidence-based management decisions. Sustainability decisions must be underpinned by affordable, relevant and directed research, monitoring and analysis. This information must be incorporated into risk-based management.

Priorities

Actions to support this strand in 2019/20 will include:

- Working with MPI to finalise a Fisheries Plan and thereby develop appropriate management for inshore stocks
- Pursuant to a Fisheries Plan, working with MPI to develop appropriate research planning for fish stocks and the aquatic environment
- Working with MPI and DOC to develop appropriate risk-based mitigation of fishing impacts; particularly for seabirds through the Seabird Liaison Officer Programme
- Participation in MPI/FNZ fisheries and aquatic environment Working Groups
- Participation in DOC CSP Technical Working Groups
- Advocating for appropriate mitigation measures to address impacts on protected species
- Managing research, modelling and sampling programmes on behalf of the JMA1 and TAR fisheries and the Area2, Northern and HMS Committees
- Attending policy development forums for seabirds, marine mammals, sharks and other environmental impacts
- Finalising the refreshed National Plan of Action—Seabirds
- Contributing to the refreshed National Plan of Action—Sharks
- Pursuing a reasoned outcome to the new Threat Management Plan for Maui and Hector’s Dolphins
- Contributing to the Threat Management Plan for Yellow-Eyed Penguins
- Consideration of and submitting on MPI fish stock sustainability consultations
- Support Coromandel Scallop fishery and provide requested service to advance management

Access to Fisheries

Project Code	FIN 04
Cost apportioned among:	All quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objectives

Maintain and strengthen opportunities for sustainable commercial harvesting of inshore finfish, tuna and pelagic fishstocks.

Commentary

Access to fisheries will remain an important Strand of the Business Plan in 2019/20 with further consideration of the Hauraki Gulf Spatial Plan in progress, and legal proceedings continuing regarding both Regional Councils' powers within the territorial sea and the mining proposal by Trans-Tasman Resources.

It is also likely that further work on reforming New Zealand's marine protection legislation and policy will commence next year.

Priorities

Actions to support this strand in 2019/20 will include:

- Continued engagement with processes that will seek to limit access to our fisheries
- Identify and seek protection of habitats of particular significance to fisheries management and advocate for their recognition as protected areas
- Consider any further involvement in the Trans-Tasman Resources subject to the Court of Appeal's decision
- Consider any further involvement in the Marlborough Environmental Plan process subject to the decision of Commissioners
- Finalise industry policy and methodology on valuing economic impacts of displacement, compensation, adjustment assistance and off-setting
- Respond to any proposition to establish recreational fishing parks including recognition of existing commercial rights
- Continued support and participation in the Area2 collaborative process
- Participate in implementation of Sea Change—the Hauraki Gulf Spatial Plan

Work Collaboratively

Project Code	FIN 05
Cost apportioned among:	All quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objectives

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. Industry recognises that the joint speed of travel on issues depends on working alongside other agencies and stakeholders that all hold legitimate (though different) perspectives to the views to Fisheries Inshore and its members. This Strand is included to highlight additional efforts to make sure everyone's contribution is constructive. This inevitably starts with the various participants focusing first on areas of common ground and jointly developing solutions to shared problems before moving on to more difficult issues.

Fisheries Inshore has made good progress in bringing the inshore sector together by establishing the Area2, Northern and HMS Committees. We will continue work to strengthen the relationship between Fisheries Inshore and the Federation and Southern Inshore Fisheries Management Company—for the latter it is expected that the funding for it will be included in the overall Fisheries Inshore budget and we will collect levies on their behalf. The Southern Inshore Fisheries Management Company is holding its AGM on 2 September to feed into our AGM and levying process.

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 has been a valuable mechanism for industry to collectively consider matters of common interest and pool resources to purchase services.

Last year also saw The Nature Conservancy (TNC) appoint a permanent New Zealand-based director and we have had some very positive discussions with TNC with a view to closer collaboration. TNC's method of working is constructive, thoughtful and pragmatic so is well suited to collaborative initiatives with the sector.

Priorities

Actions to advance this work include:

- Continue the work for the HMS, Area2 and Northern Committees
- Participate in the Commercial Fisheries Forum with SREs, Te Ohu Kaimoana and other industry bodies and continue to commission and fund joint work of mutual interest
- Continue to discuss joint work with Southern Inshore
- Work closely with Seafood New Zealand
- Meet regularly with MPI, DOC and other Crown agencies
- Continue to explore opportunities to work with The Nature Conservancy
- Work with other interested parties of specific issues

Communication

Project Code	FIN 06
Cost apportioned among:	All quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objectives

Be a strong cohesive national voice for industry that brings together fishers and quota owners to improve the public understanding about why inshore fisheries matter, and work alongside government and NGOs to enhance our domestic and international reputation as a sustainable and responsible community of fishers.

Commentary

This strand remains a key aspect of Fisheries Inshore's work and will be maintained as the company's role grows and takes on additional work. 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.

The work under this Strand includes input into wider industry communications through Seafood NZ, 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.

Over the last three years, Fisheries Inshore has jointly developed *Open Seas* that provides accurate and reliable information that promotes a range of attributes about our seafood and how we harvest it. This provides a valuable resource for countering inaccurate information, promoting our industry and thereby increasing public confidence in what we do.

Similarly, Fisheries Inshore has joined with other industry organisations to fund *Ocean Bounty* and assist in developing *The Promise* Campaign that is being led by Seafood NZ. Fisheries Inshore and Seafood NZ also visited numerous ports around the country to meet with industry members to discuss *The Promise*, the *Code of Conduct* and wider issues of interest.

In addition to this, we are engaging more directly with politicians across the spectrum on key subjects so they hear our perspective on the contribution the sector makes nationally and regionally, the major issues facing the sector, and the challenges they provide. This work will continue through the 2019/20 year in the hope that greater understanding will result in policy settings that solve issues in a nuanced way that build on the positive incentives in the QMS and minimise additional costs.

Priorities

Activities to support this include:

- 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
- Assess use of *Open Seas* and consider future changes or expansion
- Ensure that Fisheries Inshore members understand and demonstrate practice that is consistent with *The Promise in Practice*

- Respond to media requests as appropriate

Company Management

Project Code	FIN 07
Cost apportioned among:	All quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objective

Ensure resources are available to enable good governance, well-informed advocacy and maintain financially-sound accounting practices.

Commentary

Governance

Activities to support this include:

- Ensuring the Constitution reflects the desired relationship between Fisheries Inshore and CSOs (or Regional Committees) and their respective roles and mandates
- Engage with regional quota owners through the Fisheries Inshore Area2, Northern and HMS Committees
- Progress other governance initiatives for Coromandel Scallops
- Attendance at Board meetings
- Attendance at Seafood New Zealand Board meetings
- Advice as needed from legal and policy advisors
- Administrative assistance where needed
- Rental of space and equipment for Fisheries Inshore personnel with Seafood New Zealand
- Conduct 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 2019/20 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

Stock-specific work: Tarakihi

Project Code	FIN TAR
Cost apportioned among:	All TAR1, 2, 3 and 7 quota owners
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Objectives

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

Commentary

This package of work is part of a comprehensive TAR Management Strategy that was developed in conjunction with Southern Inshore and Te Ohu Kaimoana.

The management components of that TAR Management Strategy include ongoing recording of sub-MLS of Tarakihi (and specific recording of not catching of any sub-MLS tarakihi when-ever market size tarakihi is caught, move-on rules across all QMAs with catch spreading in TAR1 and 7 and gear trials in TAR2 and 3 to reduce catch of juvenile Tarakihi. To complement this management action, several research and information projects would be implemented to reduce uncertainty and provide for more robust management. These relate to stock structure, and aging.

Priorities

Actions to support this include, but not limited to:

- Continue to have FishServe administer catch-spreading in TAR1 and 7
- Contribute to generic research to accelerate and expand data collection to assist in determining stock structure
- Progress additional reporting of catch of undersize TAR
- Continue gear trials in TAR2 and 3
- Trial the use of cameras in chutes to test ability to automatically record length frequency of fish
- Reporting progress against targets set out in the TAR Management Strategy for each key element of the programme

Area 2 Work Programme

At an Area2 Regional Committee meeting on 12 July 2019, the Committee considered both generic costs and a stock-specific work programme for the 2019/20 year. This was passed unanimously.

Generic Services

Project Code	FIN AREA 2
Cost apportioned among:	All Area 2 quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Stock-specific services

SKI2: characterisation and CPUE analysis	KIN2 quota owners
2019/20 Proposed Budget	\$
GUR2: characterisation and CPUE analysis	GUR2 quota owners
2019/20 Proposed Budget	\$

Contingency funding

Various stocks, implementation of the trigger level analysis, contingent upon results of 2018/19 work	
2019/20 Proposed Budget	\$
ANC2, BCO2, BUT2, BYX2, ELE2, FRO2, GAR2, GMU2, GSH2, JDO2, PAR2, PIL2, POR2, RBT1, RBY2, RIB2, RSN2, SCH2, SPE2, STA2, TRU2, WAR2, YEM2	
All stocks: identify projects to better incorporate the protection of habitats of particular significance for fisheries management that could be bottlenecks for fisheries' productivity.	
2019/20 Proposed Budget	\$

Northern Inshore Work Programme

At a Northern Regional Committee meeting on 11 July 2019, the Committee considered both generic costs and a stock-specific work programme for the 2019/20 year. The budget and work programme were carried unanimously after being moved by Dave Moore and seconded by Tom Searle.

Generic Services

Project Code	FIN NOR
Cost apportioned among:	All Northern Inshore quota owners & fishers
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Stock-specific services

HPB1 characterisation, cost apportioned among:	HPB1 quota owners
2019/20 Proposed Budget	\$
LIN1 characterisation, cost apportioned among:	LIN1 quota owners
2019/20 Proposed Budget	\$
SKI1 characterisation, cost apportioned among:	SKI1 quota owners
2019/20 Proposed Budget	\$
JMA1: Age structure of purse seine catch, cost apportioned among:	JMA1 quota owners
2018/19 Proposed Budget	\$

Contingency funding

KIN1 CPUE analysis of recreational catch data	KIN1 quota owners
2019/20 Proposed Budget	\$

Various stocks, implementation of the trigger level analysis, contingent upon results of 2018/19 work	
2019/20 Proposed Budget	\$

ANC1, ANC8, BCO1, BNS1, BUT1, BYX1, ELE1, EMA1, FLA1, FRO1, GAR1, GMU1, GSH1, GSH9, GUR1, KAH8, LDO1, LEA1, LIN1, PAR1, PAR9, PIL1, PIL8, POR1, RBY1, RBY8, RBY9, RCO1, RIB1, RIB9, RSK1, RSK8, RSN1, SPD1, SPD8, SPE1, SPE9, SPO1, SPR1, SSK1, SSK8, STA1, TRU1, TRU8, TRU9, WAR1, YEM1, YEM9.

All stocks: identify projects to better incorporate the protection of habitats of particular significance for fisheries management that could be bottlenecks for fisheries' productivity.

2019/20 Proposed Budget	\$
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HMS Work Programme

At an HMS Committee meeting on 26 July 2019, the Committee considered the proposed budget and work programme for the 2019/20 year. Acceptance was moved by Doug Loder, seconded by James Hufflett and carried unanimously.

Generic Services

Project Code	FIN HMS
Cost apportioned among:	All HMS quota owners & vessel operators
2019/20 Proposed Budget	\$
2018/19 Approved Budget	\$
2018/19 Year End Forecast	\$

Stock-specific Services

None proposed for 2019/20.