



1 December 2017

## AQUACULTURE DECISION REPORT — SANFORD LIMITED, COASTAL PERMIT U150653, BEATRIX BAY, PELORUS SOUND

### PURPOSE

1 This report sets out my aquaculture decision (as the relevant decision maker<sup>1</sup>) for an aquaculture decision request made under section 114(4)(c)(ii) of the *Resource Management Act 1991 (RMA)*. The aquaculture decision request is described below. My aquaculture decision is made under section 186E of the *Fisheries Act 1996 (Fisheries Act)*.

### SUMMARY

2 I am satisfied the aquaculture activities proposed within the area of coastal permit U150653 will not have an undue adverse effect on the following fishing sectors:

- *customary* - for the reasons set out in this report and summarised in paragraph 17;
- *recreational* - for the reasons set out in this report and summarised in paragraph 17;
- *commercial* - for the reasons set out in this report and summarised in paragraph 31.

### AQUACULTURE DECISION REQUEST DETAILS

Regional Council:	Marlborough District Council ( <b>MDC</b> )
Date of Request:	29 May 2017
Coastal Permit Applicant:	Sanford Limited
Location of marine farm site:	Beatrix Bay, Pelorus Sound
Size of farm:	3.0 hectares ( <b>ha</b> ), being 2.5 ha of new space and 0.5 ha of existing space currently authorised by marine farm licence 111 ( <b>Li 111</b> ). <sup>2</sup>
Species to be farmed:	Green-lipped mussels ( <i>Perna canaliculus</i> ), scallops ( <i>Pecten novaezelandiae</i> ), dredge oysters ( <i>Tiostrea chilensis</i> ), pacific oysters ( <i>Crassostrea gigas</i> ), paua ( <i>Haliotis australis</i> , <i>Haliotis iris</i> , <i>Haliotis virginea</i> ) and seaweed/algae ( <i>Ulva lactuca</i> , <i>Macrocystis pyrifera</i> , <i>Ecklonia radiata</i> , <i>Gracilaria</i> , <i>Perocladia lucida</i> and <i>Lessonia variegata</i> )
Farm structures:	Standard marine farm longlines and anchors with droppers

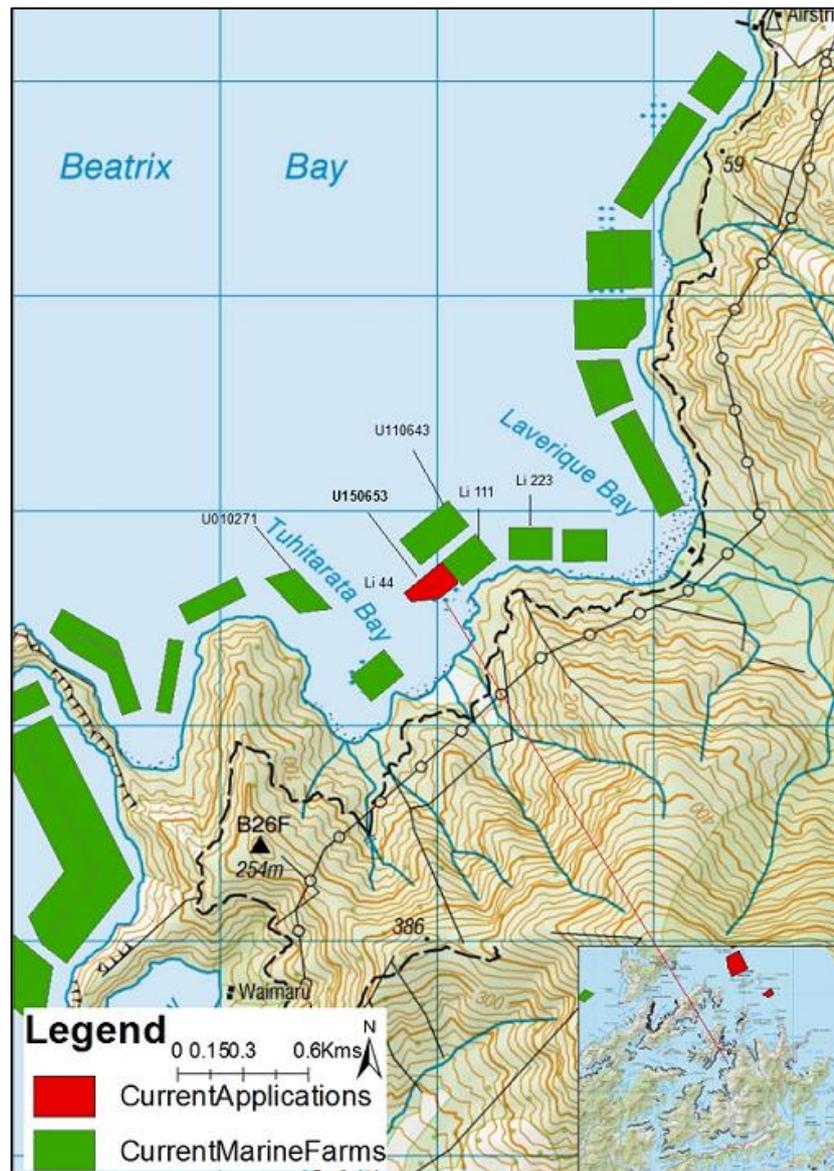
<sup>1</sup> Acting under authority delegated to me by the Director-General of the Ministry for Primary Industries (**MPI**) in accordance with section 41 of the *State Sector Act 1988*.

<sup>2</sup> If coastal permit U150653 is approved, Li 111 will be surrendered

### Location and structures

3 Coastal permit U150653 applies to an area of Beatrix Bay in Pelorus Sound (Map 1). Coastal permit U150653 replaces the 3.0 ha authorised by Li 111 and moves the authorised area to the west to occupy 2.5 ha of new space.

4 Aside from Li 111, the closest existing farm to the area of coastal permit U150653 is U110643, to the north. Marine farm licence 44 (**Li 44**) and coastal permit U010271 are to the west, and marine farm licence 223 (**Li 223**) to the east.



**Map 1<sup>3</sup>: Location of the area authorised by coastal permit U150653 in Beatrix Bay (MPI, 2017). A site map of structures can be found in Appendix A.**

<sup>3</sup> Disclaimer: Maps 1-6 and all accompanying information accompanying (the “Maps”) is intended to be used as a guide only, with other data sources and methods, and should only be used for the purpose for which it was developed. The information shown in the Maps is based on a summary of data obtained from various sources. While all reasonable measures have been taken to ensure the accuracy of the Maps, MPI: (a) gives no warranty or representation in relation to the accuracy, completeness, reliability or fitness for purpose of the Maps; and (b) accepts no liability whatsoever in relation to any loss, damage or other costs relating to any person’s use of the Maps, including but not limited to any compilations, derivative works or modifications of the Maps. Crown

5 The area of coastal permit U150653 is around 70 m from shore at its closest point and water depths range from 14-25 m. The current marine farm (Li 111) is not operating in the consented area, but in an area overlapping the proposed site. The consented area is considered inappropriate for marine farming activities due to the proximity to land, and benthic habitats not suitable for marine farming (Davidson, 2015). The benthic survey of the site by Davidson (2015) recommends the proposed site as more appropriate for a positive environmental outcome.

6 The proposed site will continue to operate the existing farm layout of nine longlines that are 100 m in length.

### *Input from stakeholders*

7 MPI publicised the application for coastal permit U150653 on its website on 19 August 2015. This gave persons and organisations potentially affected by the proposed aquaculture activities an opportunity to provide information on their fishing activities at the coastal permit area.

8 The submission closing date for those notified via the website was 16 September 2015. MPI did not receive any submissions.

## **STATUTORY CONTEXT**

9 Section 186E(1) of the Fisheries Act requires me to, within 20 working days after receiving a request for an aquaculture decision from a regional council, make a determination or reservation (or one or more of them in relation to different parts of the area to which the request relates).

10 A ‘*determination*’ is a decision that I am satisfied that the aquaculture activities authorised by the coastal permit will not have an undue adverse effect on customary, recreational, or commercial fishing<sup>4</sup>. A ‘*reservation*’ is a decision that I am not satisfied that the aquaculture activities authorised by the coastal permit will not have an undue adverse effect on fishing.

11 If I make a reservation, I am required to specify whether the reservation relates to customary, recreational or commercial fishing or a combination of them. If the reservation relates to commercial fishing, I must specify the stocks and area concerned—section 186H(4).

12 Section 186GB(1) of the Fisheries Act specifies the only matters I must have regard to when making an aquaculture decision. These matters are as follows:

- (a) the location of the area that the coastal permit relates to in relation to areas in which fishing is carried out;
- (b) the likely effect of the aquaculture activities in the area that the coastal permit relates to on fishing of any fishery, including the proportion of any fishery likely to become affected;

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<sup>4</sup> Section 186C of the Fisheries Act defines “adverse effect,” in relation to fishing, as restricting access for fishing or displacing fishing. An “undue adverse effect” is not defined. However, the ordinary meaning of “undue” is an effect that is unjustified or unwarranted in the circumstances. For the purpose of my decision under section 186E, an undue adverse effect will mean the significance of the effect on restricting access for fishing, displacing fishing or increasing the cost of fishing is unjustified or unwarranted in the circumstances.

- (c) the degree to which the aquaculture activities in the area that the coastal permit relates to will lead to the exclusion of fishing;
- (d) the extent to which fishing for a species in the area that the coastal permit relates to can be carried out in other areas;
- (e) the extent to which the occupation of the coastal marine area authorised by the coastal permit will increase the cost of fishing; and
- (f) the cumulative effect on fishing of any authorised aquaculture activities, including any structures authorised before the introduction of any relevant stock to the quota management system.

13 For the purpose of my assessment, customary fishing differs from recreational fishing if it is undertaken outside of the recreational limits provided in the *Fisheries (Amateur Fishing) Regulations 2013 (Amateur Regulations)* and is instead authorised by a customary authorisation.

14 Appendix B and C have further information on statutory context and customary fishing respectively.

## **ASSESSMENT**

15 The following is an assessment, within the statutory context, of the effects of the proposed aquaculture activities on recreational customary, and commercial fishing. It is based on all the relevant information available to me.

16 This assessment relates to the 2.5 ha of new marine farming space authorised by coastal permit U150653 (**proposed site**).

### ***Recreational and Customary fishing***

17 I am satisfied the proposed aquaculture activities will not have an undue adverse effect on recreational or customary fishing because:

- only a small amount of recreational and customary fishing is likely to occur at the proposed site;
- anchored rod/line fishing and diving could still occur at the proposed site;
- there are other recreational and customary fishing areas available in Pelorus Sound and the wider Marlborough Sounds;
- occupation of the proposed site will result in a minimal, if any, increase in the cost of recreational or customary fishing;
- the likely effect of occupation of the proposed site on recreational and customary fishing is only small; and
- this small effect added to existing effects of approved aquaculture space will not cause the cumulative effect on recreational or customary fishing to become undue.

18 The above conclusions were reached following the more detailed assessment below.

### ***Location of the coastal permit area relative to fishing areas***

19 The location of the coastal permit area relative to fishing areas for recreational and customary sectors are considered separately below.

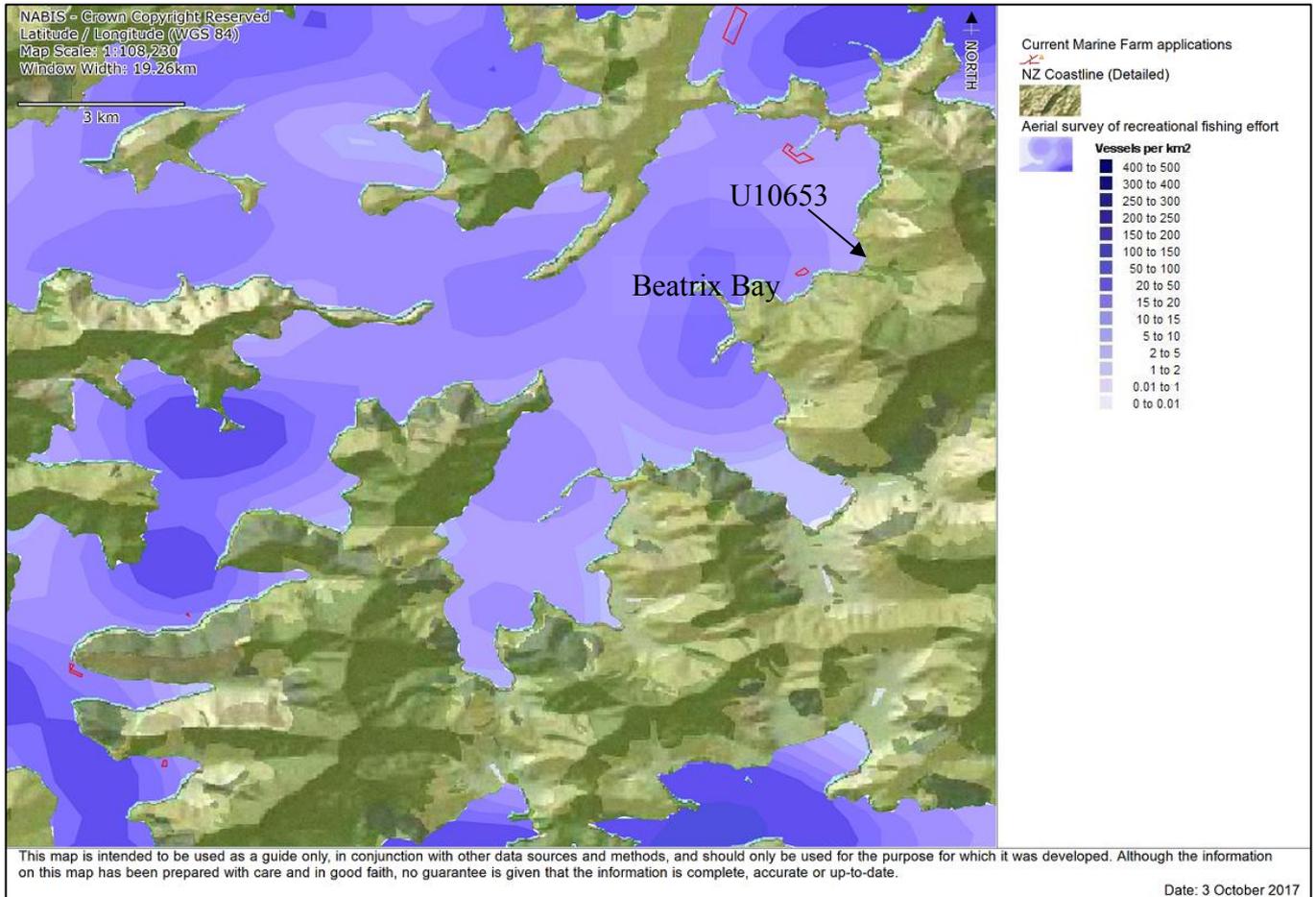
#### ***Recreational Fishing***

19 I consider the proposed site is located where a relatively small amount of recreational

fishing occurs. Methods likely to be used include mobile rod/line fishing, longlining, and some diving and potting. Species caught could include snapper, kahawai, yellow-eyed mullet, gurnard and jack mackerel.

20 Recreational fishing surveys and Amateur Charter Vessel (ACV)<sup>5</sup> data identify methods used and species caught within zones in the Marlborough Sounds. A small amount of ACV fishing has been reported in Beatrix Bay, with a high proportion of fishing reported in the wider Pelorus Sound.

21 Aerial survey results<sup>6</sup> suggest there is a relatively small amount of recreational fishing at the proposed site. The 2006 diary survey reported that 6.4% of all fishing trips were in the survey zone of Tennyson Inlet, which includes the outer Pelorus Sounds and Beatrix Bay.



**Map 2. Aerial survey results from 2006 of recreational fishing intensity (Davey *et al*, 2008).**

22 Table 1 summarises my assessment of the main methods used and species likely to be caught at the proposed site based survey and ACV data and other sources.

<sup>5</sup> ACV data is reported through Activity Catch Returns and includes fishing positions, target and caught species numbers, and methods used.

<sup>6</sup> recreational fishing survey of the Marlborough Sounds (Davey *et al*, 2008)

**Table 1: Recreational fishing methods used and species caught and targeted at the area of coastal permit U150653 based on the available information.**

	Source of Information			
	Davey <i>et al.</i> (2008) results for the survey zone including Beatrix Bay	ACV data for location that includes Beatrix Bay	Other information	My assessment
Methods used	Rod/line from private boat (79% of trips), longline private (11%), drag netting (2%), hand gathering, potting and diving (<2% of trips)	Hand line, anchored and drift fishing, and dredging are the most commonly used methods.	<p>The muddy and relatively flat seabed is suitable for most of the methods identified as occurring in the survey zone containing Beatrix Bay by Davey <i>et al.</i> (2008).</p> <p>Some species taken by dredging were seen in the Davidson (2015) survey.</p> <p>The relocation of the proposed site moves aquaculture activities away from the small region of low rock present in the existing consented area.</p>	<p>Stationary and mobile rod/line methods, longlining and a small amount of diving and potting may be used at the site.</p> <p>More area will be available for shore-based fishing (eg, by hand gathering, rod/line or drag netting) by relocating the existing consented area to the west and further from shore.</p> <p>Drift fishing in the coastal permit area is likely to already be excluded by existing marine farms.</p>
Species caught <sup>7</sup>	Blue cod (240), snapper (77), spotty (70), mussel (50), kahawai (30), yellow-eyed mullet (24), gurnard (22), jack mackerel (21), oyster (15), sea perch (10)	<p>Scallops, blue cod, sea perch, hapuka, terakihi, snapper and gurnard are listed as caught and retained in Pelorus Sounds</p> <p>Blue cod and snapper were caught and retained in Beatrix Bay</p>	Some scallops were seen in the Davidson (2015) preliminary survey.	<p>Snapper kahawai, and some yellow eyed mullet, gurnard and jack mackerel are likely the most commonly caught species in the coastal permit area.</p> <p>Blue cod could be caught at the coastal permit area, however mud bottom makes it unlikely.</p>

<sup>7</sup> The number of species caught and kept at Tennyson Inlet survey zone, covering the proposed site U150653, over the 12 month survey period.

### Customary Fishing

23 I consider the proposed site is located where there is likely to be little, if any, customary fishing. Any customary fishing is likely to be by rod/line from a boat and some longlining. Species targeted and caught may be snapper, kahawai, yellow-eyed mullet, gurnard and jack mackerel.

24 Available information on customary fishing is primarily qualitative information from submissions and quantitative catch information from customary authorisations<sup>8</sup>, supported by benthic surveys and other information. Information on customary fishing in the Marlborough Sounds can be found in Appendix C.

25 I have assessed likely customary fishing in the proposed site in Table 2 below.

**Table 2: Customary fishing methods used and species caught or targeted at the area of coastal permit U150653<sup>9</sup>**

	Source of information		
	Customary authorisations for Pelorus Sound and Marlborough Sounds	Other information	My assessment
<b>Methods used</b>	N/A	Recreational fishers commonly use stationary and mobile rod/line methods, longlining and some dredging, so customary fishers may also use these methods.	Rod/line from boat, some longlining and some dredging are the most common methods for recreational fishers and may also be used by customary fishers.
<b>Species caught or targeted</b>	Scallops, oysters, paua, rig, kahawai, blue cod, snapper, rock lobster, kina, butterfish, flatfish, blue moki, green-lipped mussels, hapuku, red cod, school shark, spiny dogfish, elephant fish, hapuku, smooth skate, tuatua, gurnard and yellow-eyed mullet, trumpeter, toheroa, porphyra, smooth skate	<p>Paua, rock lobster, kina, butterfish, blue moki or green-lipped mussels are not typically found over the reef and algae free- substrate at the coastal permit area.</p> <p>A small number of scallops were observed by Davidson 2015.</p> <p>The coastal permit area is likely to be too shallow for hapuku fishing.</p> <p>Blue cod and snapper were caught and retained in Beatrix Bay.</p>	<p>Snapper, kahawai, gurnard, jack mackerel and yellow-eyed mullet are likely to be the most commonly caught species at the coastal permit area.</p> <p>Blue cod could be caught at the coastal permit area, however mud bottom makes it unlikely.</p>

### Exclusion of fishing

23 I consider a small amount of recreational and customary fishing, including set netting longlining and dredging would be excluded<sup>10</sup> from the proposed site because of the risk of entanglement.

24 However, I consider that anchored fishing could continue between the proposed structures, as anecdotal information suggests fishers commonly fish by rod/line within mussel farms. I also consider that moving the area authorised by the coastal permit will improve access for methods which are often used near the shore.

<sup>8</sup> Fishing locations for customary authorisations are usually only reported at the Fisheries Management Area (FMA) or Quota Management Area (QMA) although more specific sites are sometimes identified. Customary authorisations issued under regulations 50 and 51 of the Amateur Regulations do not need to be routinely reported.

<sup>9</sup> From January 2009 to April 2016 no customary authorisations with site-specific information were issued for Beatrix Bay. Customary authorisations for the wider Marlborough Sounds were issued for a large number of species.

<sup>10</sup> Anecdotal information from recreational fishers suggests that spaces between longlines of mussel farms in the Marlborough Sounds are too narrow for longlining, set netting and trolling without risk of entanglement. I also consider that drift fishing is unlikely to occur within marine farms because of risk of entanglement.

### *Availability of other areas*

25 I consider alternative areas in the Marlborough Sounds could absorb recreational and customary fishing displaced from the proposed site because:

- the site is only a small area and the amount of fishing that would occur there is likely very small also; and
- the mud substrate beneath the site is widespread in Pelorus Sound. No information suggests the site offers special fishing habitats or species mix; and
- the same methods used at the site could be used elsewhere in Beatrix Bay and most other parts of the Marlborough Sounds; sufficient alternative areas exist especially for rod/line fishing which can also occur among mussel farms.

26 I consider other areas are available for customary fishing in Beatrix Bay and the wider Marlborough Sounds. Apart from the Long Island Reserve and Fighting Bay<sup>11</sup>, all of the Marlborough Sounds is available for customary fishing under regulations 50 and 51 of the Amateur Regulations. Many alternative areas are therefore available for customary fishers.

27 I also consider other areas are available for recreational fishing elsewhere in Beatrix Bay, Pelorus Sound and the wider Marlborough Sounds. However these areas also have closures and various species and method restrictions in place, particularly for set netting and longlining.<sup>12</sup> While these restrictions limit the available area, there is still a large amount of area available relative to the area of the proposed site.

28 Areas of authorised aquaculture space have reduced the availability of other recreational and customary fishing areas over time. Cumulative effects of existing aquaculture are further considered below.

### *Increased cost of fishing*

29 I consider that the aquaculture activities at the proposed site will increase the cost of recreational and customary fishing minimally, if at all.

30 I consider that any recreational or customary fishing excluded from the site could be carried out nearby with minimal additional cost, as a result of a marginal increase in fuel cost or change in method. I consider that most species targeted at the site can still be taken using alternative fishing methods.

### *Likely effect on fishing*

31 I consider the effect on recreational and customary fishing<sup>13</sup> from the proposed aquaculture activities will be small because:

- not all recreational or customary fishing methods would be excluded from the site;
- the proposed site would not increase the area of the existing farm;

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<sup>11</sup> *Marine Reserves Act 1971* and the *Submarine Cables and Pipelines Protection Act 1996*.

<sup>12</sup> Amateur regulations.

<sup>13</sup> There is little quantitative data available on customary or recreational catch taken from the proposed site. Fishing locations for customary authorisations are usually only reported at the Fisheries Management Area (FMA) or Quota Management Area (QMA) although more specific sites are sometimes identified. Customary authorisations issued under regulations 50 and 51 of the Amateur Regulations do not need to be routinely reported. Recreational fishers are not required to report catch or fishing locations.

MPI is therefore unable to estimate an average annual recreational catch or proportion of recreational catch likely to be affected by the proposed aquaculture activities. Rather, MPI can only assess the effect of the proposed aquaculture activities on recreational fishing based on qualitative information.

- the proposed site would move the existing structures seaward and improve fishing opportunities inshore; and
- alternative areas within Beatrix Bay and the wider Marlborough Sounds could absorb the recreational and customary fishing displaced from the proposed site.

### ***Cumulative effects***

32 I consider existing aquaculture in the Marlborough Sounds has affected recreational and customary fishing. There are approximately 3,700 ha of existing aquaculture in the Marlborough Sounds, approximately 300 ha of which is in Beatrix Bay<sup>14</sup>.

33 I consider the cumulative effects on recreational and customary fishing, including the aquaculture activities at the proposed site, will not be undue because:

- some recreational and customary fishing (eg, anchored rod/line fishing) can still occur within marine farms;
- not all existing farms are located in popular recreational and customary fishing areas; and
- the proposed aquaculture activities will not increase the area occupied.

### ***Commercial fishing***

31 I am satisfied the proposed aquaculture activities will not have an undue adverse effect on commercial fishing because:

- a negligible amount of commercial fishing is likely to occur in the area;
- a negligible amount of commercial fishing is likely to be excluded from the proposed site;
- there are alternate fishing grounds in Beatrix Bay, SA017 and the relevant QMAs or FMA7;
- occupation of the proposed site will result in a minimal, if any, increase in the cost of commercial fishing;
- the additional adverse effect on commercial fishing is only small and will not cause the cumulative effect on commercial fishing for any fish stock to become undue.

32 The above conclusions were reached following the more detailed assessment below.

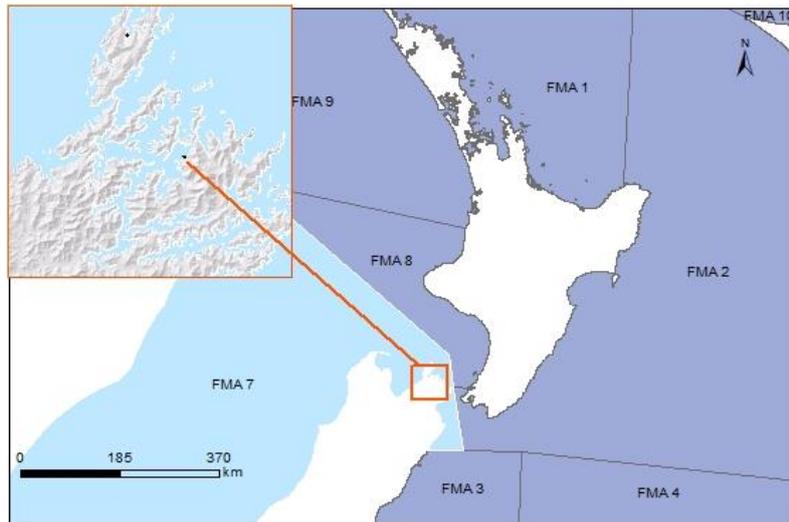
### ***Location of the coastal permit area relative to fishing areas***

33 I consider the proposed site is located where there is little, if any, commercial fishing.

34 Beatrix Bay is within Fisheries Management Area 7 (**FMA7**) (Map 3). Historically, most commercial fishing has been reported by statistical area. The area of the proposed site is in general statistical area 017 (**SA017**), which extends from the eastern edge of d'Urville Island to Cape Campbell, north of Kaikoura (415,286 ha). Further detail on fisheries management and statistical areas is available in Appendix D.

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<sup>14</sup> As noted, there is limited quantitative data available to assess the cumulative effects of authorised aquaculture on customary or recreational fishing. Therefore, MPI can only assess cumulative effects on recreational fishing based on the amount of aquaculture already authorised in the relevant customary or recreational fishery and the likely importance of the area of the proposed site for fishing.



**Map 3. Fisheries Management Area 7 (FMA7)**

35 MPI has assessed the main fisheries, bathymetry and habitat known to occur in SA017 and the relative amounts of fishing that report by start position. This information, along with institutional knowledge has been used to inform Table 3 and the commercial fishing assessment below. MPI considers a negligible amount of commercial fishing occurs at the proposed site.

36 Further detail on how MPI analyses commercial fishing can be found in Appendix D.

**Table 3: Fisheries that are included in the commercial fishing assessment**

Fisheries (main fishstock or depth range and main fishing method) <sup>15</sup>	Statistical area	% of fine scale fishing events	Average annual no. fishing days <sup>16</sup>	% of main fishstock caught in statistical area	Included in the proposed site assessment?	Rationale for excluding a fishery from proposed farm assessment <sup>17</sup>
Ghost shark (GSH7), Trawl	017	99%	214	57%	Yes	
Red Cod (RCO7), Trawl	017	100%	176	18%	Yes	
Flatfish (FLA7), Set Net	017	72%	155	6%	Yes	
School shark (SCH7), Long Lining	017	23%	95	14%	Yes	
Flatfish (FLA7), Trawl	017	99%	68	6%	Yes	
Mixed fishery, Set Net	017	71%	63	N/A	Yes	
Gurnard (GUR7), Trawl	017	99%	62	8%	Yes	
Barracouta (BAR7), Trawl	017	99%	62	2%	Yes	
Sea cucumber (SCC7A), Diving	017	0%	33	90%	Yes	
Blue cod (BCO7), Hand Lining	017	0%	36	40%	Yes	
Mixed fishery, Long Lining	017	82%	17	N/A	Yes	
School shark (SCH7), Set Net	017	98%	15	14%	Yes	
Other species, Diving	017	0%	13	N/A	Yes	
Mixed fishery, Hand Lining	017	0%	10	N/A	Yes	
Snapper (SNA7), Trawl	017	98%	17	10%	Yes	
Rock Lobster (CRA5), Lobster Pot	017	0%	731	14%	No	Rock lobsters concentrate in areas of rocky reef, although they may move across an open sandy bottom at certain times of the year. There is no rocky reef in the coastal permit area.

<sup>15</sup> Main fishstock refers to the species most often caught by the relevant method; it does not include all species taken by that method. Figures from 2007/08 to 2011/12.

<sup>16</sup> Excludes fisheries with less than 10 days fishing per year.

<sup>17</sup> Unless otherwise stated, fishing is permitted and MPI has no information to indicate it does not occur in the vicinity of the coastal permit area.

<b>Fishery segment (Main fishstock or depth range and main fishing method)</b>	<b>Statistical area</b>	<b>% of fine scale fishing events</b>	<b>Average annual no. fishing days</b>	<b>% of main fishstock caught in statistical area</b>	<b>Included in the proposed farm assessment?</b>	<b>Rationale for excluding a fishery from proposed farm assessment</b>
Hoki (HOK1), Trawl	017	100%	421	22%	No	A seasonal closure exists in the area and catch reports suggest this species is not commonly caught at the proposed site. Hoki are also unlikely to be found in the shallow waters of the proposed site.
Scallops (SCA7), Dredge	7JJ	0%	218	47%	No	Commercial scallop fishing is already considered excluded from the proposed site because of existing farms.
Sea Urchin (SUR7A), Diving	017	0%	209	84%	No	This type of fishing is highly unlikely to be affected. Kina are found on rock substrate. There is no rock substrate in the proposed site.
Inshore Mix <80m depth, Trawl	017	98%	204	N/A	No	A seasonal closure exists in the area and catch reports suggest inshore mix is not a targeted or landed species at the proposed site.
Butterfish (BUT7), Set Net	017	40%	183	27%	No	Butterfish are unlikely to be found over the mud substrate in the proposed site.
Inshore Mix >80m <300m, Trawl	017	100%	149	N/A	No	The proposed site is too shallow for this type of fishing.
Blue cod (BCO7), Cod Pot	017	0%	134	40%	No	Blue cod potting is highly unlikely to be affected as fishers are unlikely to set pots over soft substrate.
Hapuku and Bass (HPB7), Long Lining	017	52%	132	32%	No	Hapuku and bass are unlikely to be found in the shallow waters of the proposed site.
Tarakihi (TAR7), Trawl	017	100%	54	17%	No	A seasonal closure exists in the area and the catch reports suggest it is not an important fishery at the proposed site.
Surf clams, Dredge (PDO7)	017	0%	34	0%	No	Tuatua are generally found in sandy intertidal zones. The proposed site does not overlap this substrate.
Other species, Potting	017	0%	19	N/A	No	Other species are likely bycatch from rock lobster or blue cod potting. Rock lobster and blue cod pots are unlikely to be set over soft substrate.
Other species, Dredging	017	0%	18	N/A	No	Other species are likely bycatch from scallops. Commercial scallop fishing is already considered excluded because of other farms. Dredging for other species is unlikely to occur at the proposed site.
Blue Warehau (WAR7), Trawl	017	100%	11	6%	No	This type of fishing is unlikely to occur at the proposed site area as no fine scale trawl events were recorded in the vicinity of the proposed site.

### *Exclusion of fishing*

37 I consider that some commercial fishing could be excluded from the proposed site.

38 For trawling, a 250m exclusion zone has been applied around the proposed site to reflect the minimum distance a commercial trawl can operate from marine farm structures. Taking this in to account, the trawl footprint for the proposed site is 3.1 ha.

39 I consider commercial diving, set net fishing and longlining would be excluded from the proposed site, but that it could occur immediately adjacent.

40 I consider diving could occur within the proposed site, however, I consider it unlikely that species caught with this method would be targeted at the proposed site due to changes to the benthic habitat.

### *Availability of other fishing areas*

41 I consider alternative areas in Beatrix Bay and other parts of SA017 could absorb any commercial fishing displaced from the proposed site because:

- the same methods as those possibly used at the coastal permit area could be used elsewhere in Beatrix Bay or other parts of SA017<sup>18</sup>;
- the species potentially targeted by commercial fishers within the area are typically found over silt and clay substrate, which is common throughout the rest of Beatrix Bay, elsewhere in SA017 and in the relevant QMAs or FMA7; and
- the area excluded to commercial fishing would be small compared to the available area.

42 Areas of authorised aquaculture space have reduced the availability of other commercial fishing areas over time. The cumulative effects of the existing aquaculture is considered further below.

### *Increased cost of fishing*

43 I consider that the aquaculture activities at the proposed site will not increase the cost of commercial fishing.

44 While the coastal permit area may be located within a region used for commercial fishing, I consider that using alternative commercial fishing grounds would not result in an increase in the cost of commercial fishing. This is because the coastal permit area will only exclude a small area from commercial fishing and there are equally productive fishing grounds available nearby.

### *Likely effect on fishing*

45 I consider the aquaculture activities at the proposed site will have a negligible adverse effect on commercial fishing.

46 MPI estimates the amount of fishing that would be displaced by the aquaculture activities in the proposed site is less than 3kg in total for all species included in the assessment, as indicated in table 3.

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<sup>18</sup> Few closures or restrictions in SA017 limit alternative areas for methods permitted in Beatrix Bay (ie, trawling, set netting and lining for taking finfish, and dredging, diving and other methods for taking non-finfish species) but closures elsewhere in FMA7 limit alternative available areas, particularly for set netting.

### *Cumulative effects*

47 I consider existing aquaculture in the Marlborough Sounds has affected commercial fishing. There are around 311 ha of authorised aquaculture space in Beatrix Bay. Approximately 3,500 ha of marine farms exist in SA 017 that make up about 28% of the 12,300 ha of aquaculture in FMA7.<sup>19</sup>

48 I consider the cumulative effects on customary fishing, including the aquaculture activities at the proposed site will not be undue because:

- MPI estimates less than 3kg of average annual catch occurs within the site, as assessed in Table 3;
- for any fish stocks potentially affected by the proposed site, the cumulative effect has previously been assessed as a maximum of approximately 1.5% effect on any fishery, and not undue; and
- these figures are negligible and would not cause the cumulative effects of approved aquaculture space to become undue.

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<sup>19</sup> As noted, there is limited quantitative data available to assess the cumulative effects of authorised aquaculture on recreational fishing. Therefore, MPI can only assess cumulative effects on recreational fishing based on the amount of aquaculture already authorised in the relevant recreational fishery and the likely importance of the area of the proposed site for fishing.

## AQUACULTURE DECISION

49 I am satisfied – based on all relevant information available to me – the activities proposed for coastal permit area U150653 will not have an undue adverse effect on:

- a) recreational fishing, and
- b) customary fishing, and
- c) commercial fishing.

50 Accordingly, my decision is a determination for coastal permit U150653.

51 The area of the determination on recreational, customary and commercial fishing is 2.5 ha comprising an area with the following coordinates (NZTM2000):

<u>Point</u>	<u>Easting</u>	<u>Northing</u>
1	1687007.170	5454595.120
2	1686877.980	5454580.660
3	1686841.190	5454621.650
4	1687020.039	5454768.944
5	1687091.672	5454681.864
6	1687092.080	5454665.050

52 The reasons for my decision are set out in the conclusions for recreational, customary and commercial fishing in this report.



**David Scranney**  
Manager Customary Fisheries and Spatial Allocations  
Ministry for Primary Industries

Dated 1 December 2017

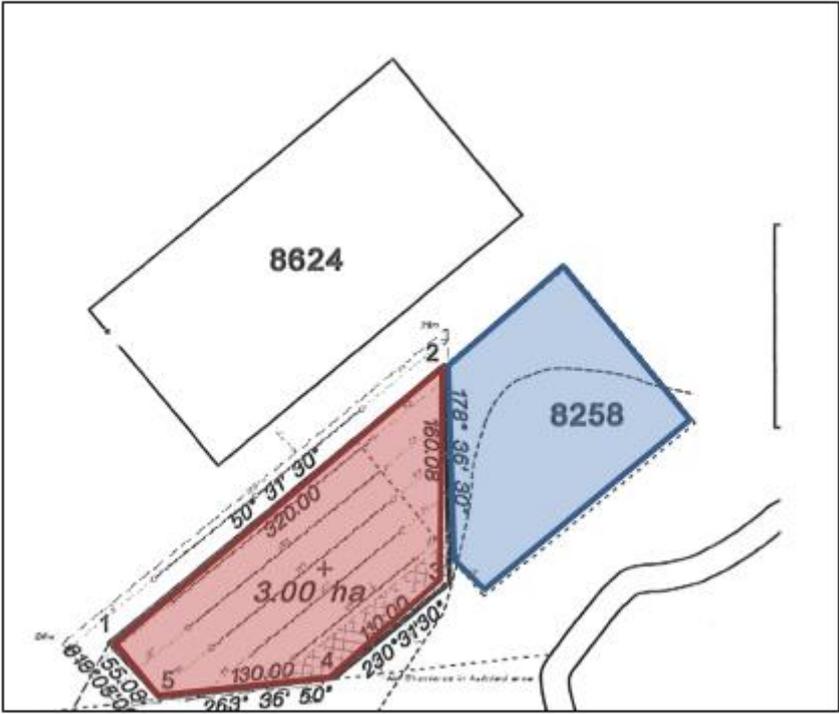
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**APPENDIX A: SITE MAP**



**Figure 1.** Site map showing location of existing marine farm (blue) and proposed location of relocated structures (red)

## APPENDIX B: ADDITIONAL STATUTORY CONTEXT

1 Section 186E(3) of the Fisheries Act<sup>1</sup> requires me, in making an aquaculture decision, to have regard to any:

- (a) information held by the Ministry for Primary Industries; and
- (b) information supplied, or submissions made, to the Director-General under section 186D(1) or (3) by:
  - i. an applicant for or holder of the coastal permit;
  - ii. any fisher whose interests may be affected;
  - iii. persons or organisations that the Director-General considers represent the classes of persons who have customary, commercial or recreational fishing interests that may be affected by the granting of the coastal permit or change to, or cancellation of, the conditions of the coastal permit; and
- (c) information that is forwarded by the regional council; and
- (d) any other information that the Director-General has requested and obtained.

2 Section 186F of the Fisheries Act specifies an order of processing that must be followed in making aquaculture decisions. But section 186F(5) allows aquaculture decisions to be made in a different order from that specified if I am satisfied that in making an aquaculture decision out of order it will not have an adverse effect on any other aquaculture decision that has been requested. I am so satisfied in this case.

3 Section 186GB(2) of the Fisheries Act says that if a pre-request aquaculture agreement has been registered under section 186ZH in relation to the areas that the coastal permit relates to, I must not have regard to the undue adverse effects on commercial fishing in respect of any stocks covered by the pre-request aquaculture agreement when having regard to the matters specified in section 186GB(1). No pre-request aquaculture agreements have been registered in relation to coastal permit U150653.

4 Section 186GB(1)(b) requires an assessment of the likely effects of the aquaculture activities on fishing of any fishery including the proportion of any fishery likely to be affected. “Fishery” is not defined either in section 186 or elsewhere in the Fisheries Act. However, “stock” is defined in section 2 to mean any fish, aquatic life, or seaweed of one or more species that are treated as a unit for the purposes of fisheries management. Parts (3) and (4) of the Fisheries Act focus on “stocks” for the purpose of setting and allocating Total Allowable Catches and managing species within the quota management system (**QMS**). Sections 186GB(1)(f) and (2) also refer to “stock” with specific regard to adverse effects on commercial fishing. So for the purpose of my decision under section 186E, I consider a commercial fishery is a fish stock delineated by a fisheries management area (**FMA**) or quota management area (**QMA**).

5 I consider the relevant recreational and customary fisheries are as I have described in the assessment above in “*Location of the coastal areas relative to fishing area.*”

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<sup>1</sup> Section 186E(3)(a) of the Fisheries Act refers to the ‘Ministry of Fisheries’ which is now the Ministry for Primary Industries. Section 186E(3)(b) and (d) refers to the ‘chief executive’ who is now the director-general.

6 Section 186C of the Fisheries Act does not define “cumulative effect” beyond what is provided in section 186GB(1)(f) that the effect includes any structures authorised before the introduction of any relevant stock to the QMS. For the purpose of my decision under section 186E, “cumulative effect” on commercial fishing includes the total effect of all authorised aquaculture activities within the relevant QMA or FMA. For recreational and customary fisheries, the relevant areas for considering “cumulative effects” are as I have described in the assessment above in my consideration of section 186GB(1)(a) and (f). Sections 186GB(1)(a) and (f) relate to location at proposed site in relation to where fishing occurs and the cumulative effect of aquaculture, respectively.

7 The *Fisheries (South Island Customary Fishing) Regulations 1999* (**the South Island Regulations**) define customary food gathering as the traditional rights confirmed by the Treaty of Waitangi and the *Treaty of Waitangi (Fisheries Claims) Settlement Act 1992*, being the taking of fish, aquatic life, or seaweed or managing of fisheries resources, for a purpose authorised by Tangata Tiaki/Kaitiaki, including koha, to the extent that such purpose is consistent with tikanga Māori and is neither commercial in any way nor for pecuniary gain or trade.

The South Island Regulations and regulation 50 and 51 of the *Fisheries (Amateur Fishing) Regulations 2013* (**the Amateur Regulations**) provide for Tangata Tiaki/Kaitiaki to determine the customary purpose for which fish, aquatic life, or seaweed may be taken, methods used, seasons fished, size and quantity taken etc. The South Island Regulations and regulations 50 and 51 do not contemplate restrictions under the Fisheries Act on the quantity of fish taken or the methods used to take fish. Should tangata whenua fish without customary authorisations, all the recreational limits under the Amateur Regulations apply.

## APPENDIX C: CUSTOMARY FISHING

1 At least eight iwi at the top of the South Island may have customary fishing interests in the coastal permit area. While there are no existing customary management areas in the Marlborough Sounds (eg, taiapure-local fishery or mātaītai reserves), the eight iwi have jointly notified their Tangata Tiaki/Kaitiaki for an area/rohe moana that encompasses the new coastal permit area. The notification is currently in dispute.<sup>1</sup>

2 The eight iwi, collectively known as Te Tau Ihu o Te Waka o Maui (**Te Tau Ihu Iwi**), include those defined as tangata whenua in regulation 2 of the Fisheries (South Island Customary Fishing) Regulations 1999: the whānau, hapu or iwi that hold manawhenua manamoana over a particular area and are represented by Ngāti Apa Ki Te Rā To Trust; or Ngāti Koata Trust; or Ngāti Rarua Iwi Trust; or Ngāti Tama ki e Waipounamu Trust; or Te Runanga o Ngāti Toa Ngāti Toa Rangatira; or Te Atiawa o Te Waka a Maui Trust; or Te Runanga A Rangitane o Wairau; or Te Runanga O Ngāti Kuia Trust.

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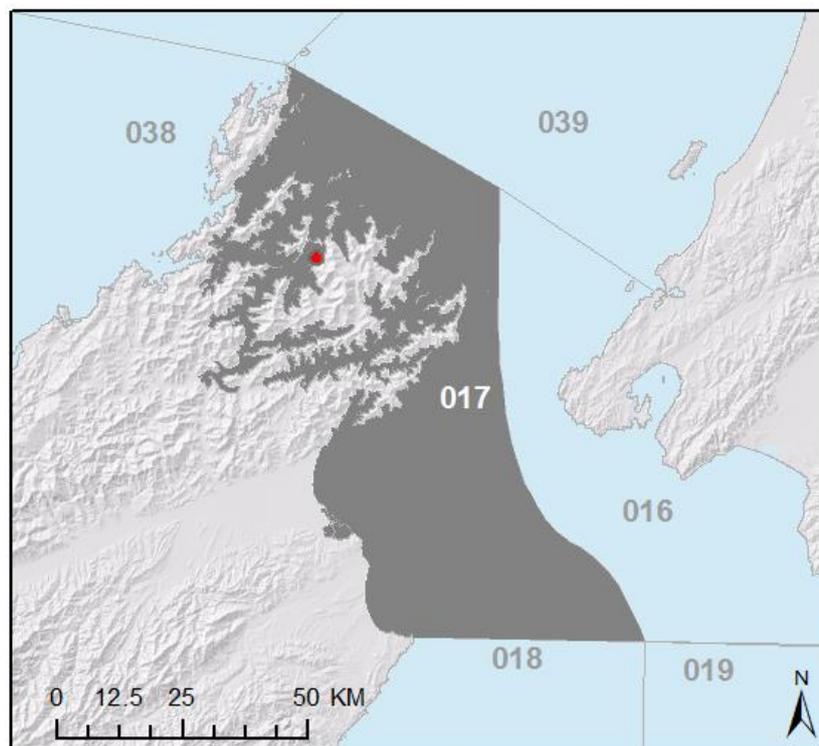
<sup>1</sup> Because the notification is in dispute, customary authorisations for the top of the South Island are issued under regulations 50 and 51 of the Amateur Regulations.

## APPENDIX D: COMMERCIAL FISHING

### *Fisheries boundaries*

1 New Zealand's 200nm Exclusive Economic Zone (EEZ) is divided into ten Fisheries Management Areas (FMAs) for fisheries management purposes. A Quota Management Area (QMA) is an area within which a designated fish stock is managed under the Quota Management System, and is generally based around FMAs. As noted, the proposed site is in FMA7.

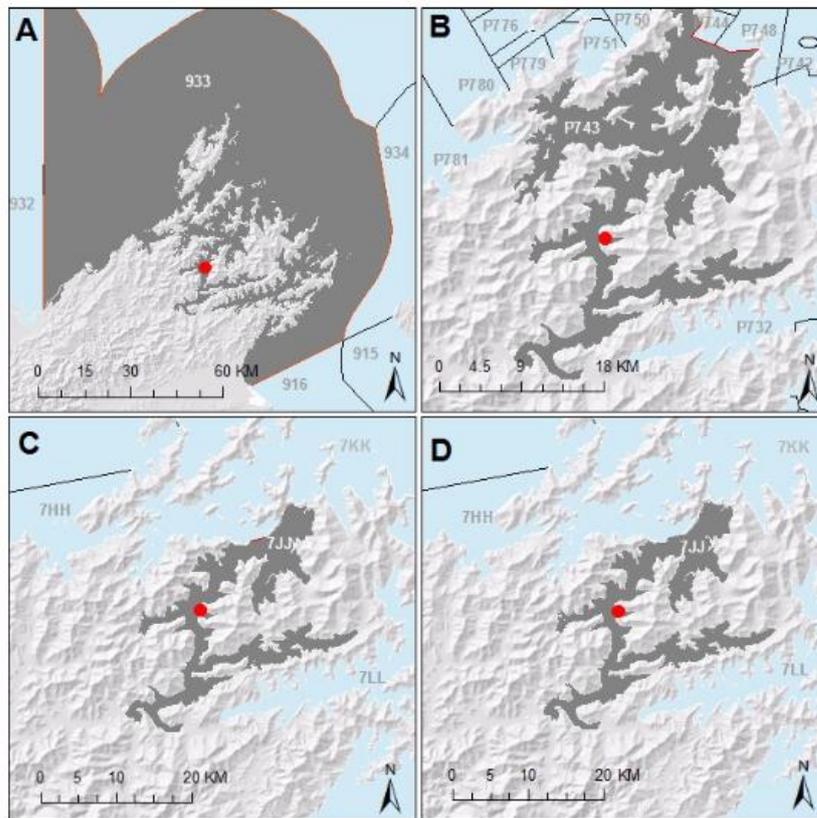
2 Fisheries reporting historically occurred by general statistical area. There are 120 of these areas in the New Zealand 200nm EEZ and this provides for more fine scale data to be collected than at an FMA scale. As noted, the proposed site is in general statistical area 017 (Map 1).



**Map 1: General statistical area SA017. The green circle marks the approximate location of coastal permit area U150653.<sup>1</sup>**

3 Scallops, oysters, rock lobster and paua are reported by species-specific statistical areas rather than by general statistical area. The area of coastal permit U150653 falls within rock lobster statistical area 933, paua statistical area P743, scallop statistical area 7JJ and oyster statistical area 7JJ (Maps 2A, 2B, 2C and 2D).

<sup>1</sup> Hillshade imagery produced by Geographx. Sourced from [www.koordinates.com](http://www.koordinates.com) under CC-By. <http://creativecommons.org/licenses/by/3.0/nz/>



**Map 2: Species-specific statistical areas that encompass the area of coastal permit U150653 (approximate location as red circle). A – Rock lobster statistical area 933. B — Paua statistical area P743. C — Scallop statistical area 7JJ. D — Oyster statistical area 7JJ.**

### ***Commercial fishing reporting and analysis***

1 Reporting by statistical area only provides coarse-scale information about where commercial fishing occurs. However, since 2007/08 vessels over 6 m long that have used trawl or line fishing methods have reported the start position of each fishing event by latitude and longitude to within 1 minute, which equates to around 1 nautical mile (nm). And, since 2006/07, start positions for netting methods have reported to within 2 nm. Using this fine scale position data, MPI has modelled and mapped fishing intensity for different segments of fishing, characterised by a type of fishing gear and the main species caught.<sup>1</sup>

2 The location of fishing by vessels less than 6 m long within SA017 is unknown. However, based on information from fisheries officers and Maritime New Zealand, MPI has mapped long lining, bottom trawling and set netting by vessels less than 6 m as being within enclosed bays and within 3 nm of open coasts. This detail can be commercial sensitive and cannot be publically released. Knowledge about species and information from commercial fishers and fishing companies, and compliance officers can also help to determine whether specific types of fishing are likely to occur in an area.

3 Maps of fishing intensity (effort per ha) for each fishing sector were used to calculate the average annual amounts of fishing effort that is likely to be displaced from the exclusion

<sup>1</sup> The Catchmapper tool is used to model the estimated catch from landing data, and is the best information available from fisheries statistics. This informs our assessment, and particularly, Table 3.

zone/s of the coastal permit area.<sup>2</sup> Average landings per unit effort for all species caught in each fishery segment were then used to estimate the amount of fish likely to have been landed.

4 Fishing effort that is only reported by statistical area was apportioned evenly across the area available for fishing although some areas are likely to include more productive habitats than others. The parts of the statistical area available for fishing for each type of fishing method are defined by using all available information (including regulated closures, bathymetry, seabed substrate, and consultation with fishers) about where the method is likely to be used. Where fishing is reported to the statistical area level, there is increased uncertainty as to where fishing events have taken place within the statistical area.

5 The amount of fishing was averaged over October fishing years 2007/08 to 2014/15. Eight years is long enough to take into account natural variation in the abundance and distribution of fish stocks and fishing effort so that likely average future fishing is fairly represented.

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<sup>2</sup> The “exclusion zone” used for commercial fishing methods assessed is the coastal permit area, with the exception (where applicable) of dredging, trawling and seining. In sheltered waters, buffers of 50m, 250m and 500m respectively are applied. In open water buffers of 75m, 500m and 500m respectively are applied.