



Te Ara Taupuhpuhi
Three-year Strategic Plan

Ka Ora ki Tai Ka Hua ki Uta – A Bountiful Ocean will Sustain Us

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Introduction

This three-year plan, Te Ara Taupuhipuhi – the Path of Mutual Dependence, sets out the Te Ohu Kaimoana strategy and estimated funding requirements for the period 2018-2020. This plan has been developed within the context of the June 2015 Iwi resolutions to retain a restructured Te Ohu Kaimoana to work on priorities agreed by Iwi to enhance the settlement and the August 2016 Iwi resolution that Te Ohu Kaimoana undertake a review of its operational structure and activities to confirm the funds available for retention and distribution.

As a first step in establishing this strategic plan Te Ohu Kaimoana released the Māori Fisheries Strategy in March 2017 to help clarify its strategic role in Māori fisheries. The Draft Māori Fisheries Strategy proposed a vision for Māori fisheries as follows:

The on-going Treaty Partnership between Iwi and the Crown is given effect through development of fisheries-related legislation, policies and arrangements that recognise and respect the rangatiratanga of Iwi over their traditional fisheries.¹

The key finding of the strategy is that Māori fisheries rights are under threat because of fragmentation which has occurred post-fisheries settlement allocation combined with changing societal attitudes towards fishing and the environment. Although guaranteed by the Treaty of Waitangi and 1992 Deed of Settlement, Māori fisheries rights are envied and exist within an ever-changing political and social environment that can weaken or extinguish those rights.

Wider society can seek to diminish Māori fisheries rights without consent if they are not actively protected by appropriate political, legal and commercial strategies. Current examples include the Kermadec Ocean Sanctuary proposal and its allied impending no take Marine Protected Areas legislation.

Aspects of the Future of our Fisheries policy could also have the same or greater effect if not carefully worked through. In an environment of increasingly polarising positions between industry and the environmental lobby on what constitutes “sustainability”, a sensible voice capable of providing coordination and leadership is required. Te Ohu Kaimoana believes Māori are that voice.

Strategies

Approximately 60 Iwi and Māori-controlled organisations lead the Māori fisheries sector, yet do not work closely together politically, legally or commercially. This increases the risk and decreases the effectiveness of attempts to protect and advance Māori fishing rights across all their dimensions.

¹ Note – this draft strategy is presently subject to change as a result of Iwi feedback.

The Māori Fisheries Strategy advocates creating the structural relationships needed to protect Māori collective fisheries rights, developing strong kaupapa Māori based fisheries leadership and ensuring the technical capability exists to develop policy consistent with Māori values through the following:

1. Collectively **Reassert** the Deed of Settlement as the basis of the Māori-Crown relationship in fisheries;
2. **Aligning** competing Māori political and commercial structures on fisheries management and related marine policy and implementation;
3. Developing fisheries leadership capable of **balancing** Māori and iwi perspectives; and
4. **Proactively** developing national and regional fisheries policy based on Māori principles.

The Māori Fisheries Strategy highlights that a differentiation exists between the maintenance of fishing rights (a political activity to maintain access to fisheries and ability to exercise fisheries rights) and the subsequent exercise of all Māori traditional fishing rights (the activity of commercial and non-commercial fishing).

Asset Holding Companies (AHCs), Collective Māori Operating Entities and Moana New Zealand Ltd are responsible for exercising Māori commercial fishing rights in a manner consistent with the protection of collective Māori principles. Iwi, hapū, kaitiaki and authorised fishers are responsible for exercising Māori non-commercial fishing rights in a manner consistent with the protection of collective Māori principles through local practices.

Mandated Iwi Organisations (MIOs), Te Ohu Kaimoana and Te Wai Māori are responsible for protecting and advancing collective Māori fisheries rights so that their exercise can be undertaken in a balanced manner determined regionally by iwi.

The Māori Fisheries Strategy recognises the role of Te Ohu Kaimoana is to:

- Influence and advocate for Māori fisheries and kaitiakitanga-based marine management regionally, nationally and internationally as agreed with iwi through the application of best in class research and analysis;
- Increase the capacity of Māori to influence fisheries management through increasing knowledge, expertise and connectivity across the participants in the Māori fishing industry; and
- Support MIOs to assist kaitiaki to undertake customary fisheries management responsibilities, and support AHCs, collective Māori operating entities and Moana NZ to undertake their commercial fisheries management responsibilities.

The following plan details how Te Ohu Kaimoana will contribute towards fulfilling the vision of the Māori Fisheries Strategy for the period 1 October 2017 to 30 September 2020. This is a period of rebuilding for the organisation where investment in a new generation of Māori fisheries leadership will be required to deliver on our identified outcomes.

In addition to delivering on the immediate priorities of that long-term strategy, Te Ohu Kaimoana will also advance iwi interests in aquaculture through both assisting iwi and the Crown to reach agreement on the manner and form of settlement of the Crown’s regional aquaculture obligations, as well as contributing to sector and government policy on aquaculture to empower iwi aquaculture interests.

Te Ara Taupuhipuhi – Te Ohu Kaimoana Three-year Strategic Plan

Why do we exist?

Iwi have resolved that Te Ohu Kaimoana should continue to exist to serve their needs. Section 32 of the Māori Fisheries Act 2004, states the “purpose of Te Ohu Kai Moana is to advance the interests of iwi individually and collectively, primarily in the development of fisheries, fishing, and fisheries-related activities, in order to —

- a) ultimately benefit the members of iwi and Māori generally; and
- b) further the agreements made in the Deed of Settlement; and
- c) assist the Crown to discharge its obligations under the Deed of Settlement and the Treaty of Waitangi; and
- d) contribute to the achievement of an enduring settlement of the claims and grievances referred to in the Deed of Settlement.”

What do we do?

Te Ohu Kaimoana works to assist and empower MIOs individually and collectively to manage and protect the full range of Māori seafood rights – both commercial and non-commercial – as guaranteed in the 1992 Deed of Settlement. Te Ohu Kaimoana also assists the Crown to achieve a durable fisheries settlement by jointly developing policy that when implemented takes fisheries and marine management forward in a manner consistent with the Deed of Settlement.

It does this through developing fisheries policy advice and working in conjunction with MIOs, AHCs, customary kaitiaki and stakeholders about fisheries related matters. It assists iwi and the Crown to reach agreement on the manner and form of settlement of the Crown’s regional aquaculture obligations.

To this extent, Te Ohu Kaimoana acts as the mandated agent for MIOs on national marine, fisheries and aquaculture related matters (see figure 1).

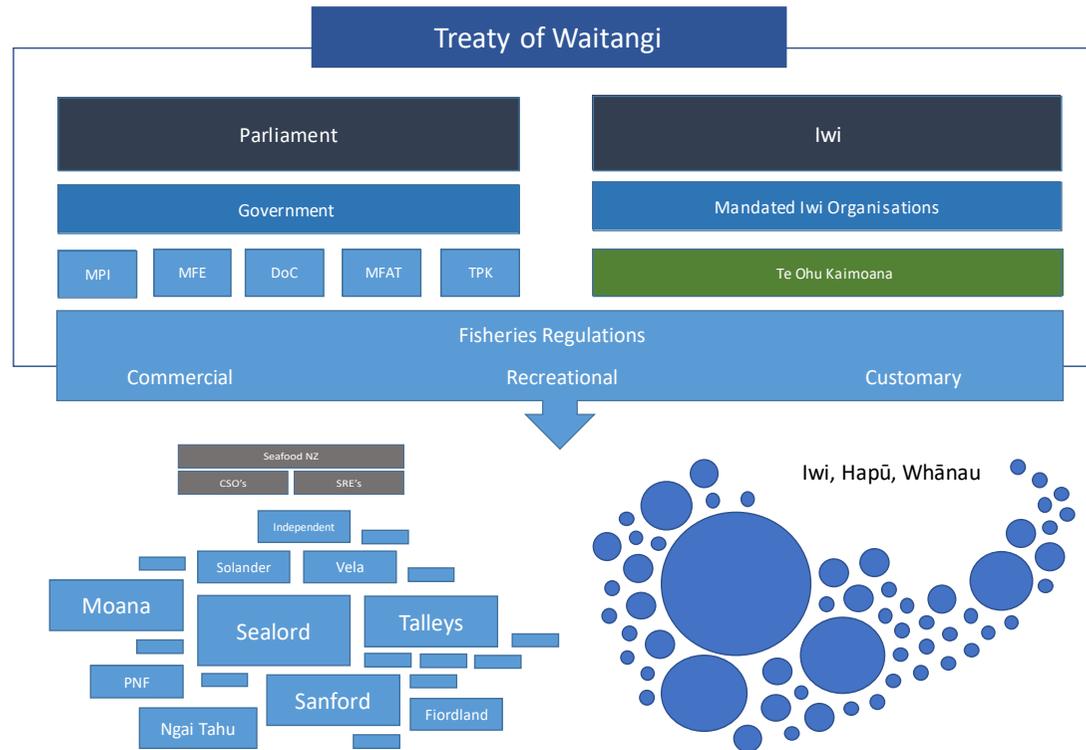


Figure 1- Treaty-based Fisheries Policy Framework

How do we behave?

Te Ohu Kaimoana is a product of the 1992 Deed of Settlement and an agent of Mandated Iwi Organisations. It therefore works in a manner agreed with MIOs collectively. Te Ohu Kaimoana is a Māori organisation which must negotiate a careful balance that best blends our values of:

- Ngākau Tapatahi (Integrity)
- Rangatiratanga (Leadership)

- Whanaungatanga (Relationships)

Our Aspirational Goal

Mandated Iwi Organisations collectively lead the development of Aotearoa's marine and environmental policy affecting fisheries management through Te Ohu Kaimoana as their mandated agent.

Our Ambition to 2020

Te Ohu Kaimoana provides value adding service to Iwi as a trusted advisor for both Iwi and the Crown in all matters touching upon the 1992 Fisheries Deed of Settlement.

We aim to be an organisation recognised for:

- proactive kaupapa Māori-based policy development;
- acknowledged Māori cross-sector fisheries advice (customary and commercial);
- robust, honest and respected relationships;
- connected, respectful and consultative approach;
- value adding Māori-Crown fisheries policy advice; and
- Iwi-endorsed 'Voice for Tangaroa'.

What are the most important activities over the next three years?

1. Maintain and grow positive relationships with Iwi and key stakeholders;

- a. Establish more effective and efficient two-way communications channels for maintaining contact with MIOs/IAOs and AHCs;
- b. Identify and develop appropriate value-add services for MIOs/IAOs and AHCs;
- c. Build strong relationships nationally with relevant Ministers and senior bureaucrats, councils, key industry figures and influence bodies;
- d. Be accountable for efficient and transparent use of funds;

- e. Clarify the relationship between the roles of MIOs and the Iwi Charis Forum to establish a unified Māori political voice on fisheries, aquaculture and marine matters with the Crown based in the Deed of Settlement; and
- f. Establish and operate a forum for Treaty partners to develop the formulation of any changes to and review the performance of all marine legislation consistent with the Deed of Settlement and in accordance with a protocol that sets out key matters.

2. Reorganise Te Ohu Kaimoana capacity for the future.

- a. Reorganise Te Ohu Kaimoana as an agent of MIOs to act as an influencer and advocate for the protection and advancement of Māori collective fisheries rights based on strong knowledge, integrity and relationships;
- b. Provide a central hub of expertise and technical support to Māori representatives elected to industry bodies so that Māori are positioned to take pivotal leadership roles in CSOs and SREs or, where agreed by iwi, undertake those roles directly on behalf of iwi;
- c. Develop the capability to exert influence nationally and internationally to ensure that New Zealand fisheries management practice support the Deed of Settlement;
- d. Build strong relationships nationally with relevant Ministers and senior bureaucrats, councils, key industry figures and influence bodies;
- e. Build strong relationships with iwi fisheries experts, internationally respected experts, NGOs and best practice industry bodies; and
- f. Keep abreast of international trends in marine management being adopted by governments and regional bodies as well as those being advocated for from customer and NGO perspectives.

3. Develop and respond to initiatives to protect and enhance Māori fisheries rights

- a. Continue MPI engagement on Future of Our Fisheries policy and introduction of the Integrated Electronic Monitoring and Reporting System (IEMRS);
- b. Review and report on how the Customary Fisheries Framework is operating across the country, and what systems for management are in place and what agreed enhancements could provide for better expression of those rights in a manner consistent with the Deed of Settlement;
- c. Finalise an on-line reporting system that MIOs can support kaitiaki to use to improve reporting for customary catch;

- d. Assist to set up regional pataka systems where requested in accordance with consistent principles and standards;
- e. Develop a model for a collective Māori approach to commercial fisheries management that integrates Māori decision-making and influence in each species management group by fishing area; and²
- f. Continue to participate in conjunction with MIOs, AHCs and Moana NZ in the development of national and regional policy on MPAs and all precedent setting initiatives that would reduce access for fishing or aquaculture to protect settlement interests.

4. Complete statutory duties

- a. Continue to manage ongoing statutory functions including governing the Te Ohu Kaimoana Group;
- b. Facilitate allocation of currently-held aquaculture and remaining fisheries assets;
- c. Work with MPI to progress and complete legislative changes to the Māori Fisheries Act 2004 arising from the 2015 Statutory Review; gain agreement to and recommend other legislative changes that assist allocation of settlement assets; and
- d. Complete all statutory reporting requirements.

² This will include a framework for each AHC, collective Māori entity and AFL who own quota or operate in a fishing area to collaborate to appoint representatives to CSOs and to influence decision-making in the best long-term interests of Māori

Timeline for action

Goal/Action	FY17/18	FY18/19	FY19/20
Re-establish positive relationships			
Establish communication channels with MIOs/AHCs			
Establish a unified Māori political voice			
Establish and operate a Marine Natural Resource forum for Treaty partners			
Identify and develop value-add services for MIOs/AHCs			
Build strong relationships nationally with others			
Complete statutory duties			
Complete fisheries allocation			
Complete aquaculture allocations			
Work with MPI/Parliament to progress Māori Fisheries Act amendments			
Complete statutory reporting requirements			

Initiatives to protect and enhance Māori fisheries rights			
Engage with MPI on FooF and IEMRS			
Review and report on the Customary Fisheries framework and propose improvements.			
Finalise an on-line catch reporting system for customary catch			
Assist set up of pataka systems where requested by Iwi			
Develop a model for a collective Māori approach to commercial fisheries management			
Review and enhance the commercial fisheries framework			
Protect Settlement interests in all significant spatial policy developments that could restrict access for fisheries or aquaculture			
Reorganise Te Ohu Kaimoana			
Reorganise Te Ohu Kaimoana as an agent of MIOs			
Provide central hub of expertise and support to Māori reps on industry bodies or act as iwi agents			
Develop the capability to influence fisheries management nationally and internationally			
Build strong relationships with iwi fisheries experts and others			

Keep abreast of international trends being adopted by governments and advocated by customers and NGOs			
Establish/develop			
Maintain/become “business as usual”			

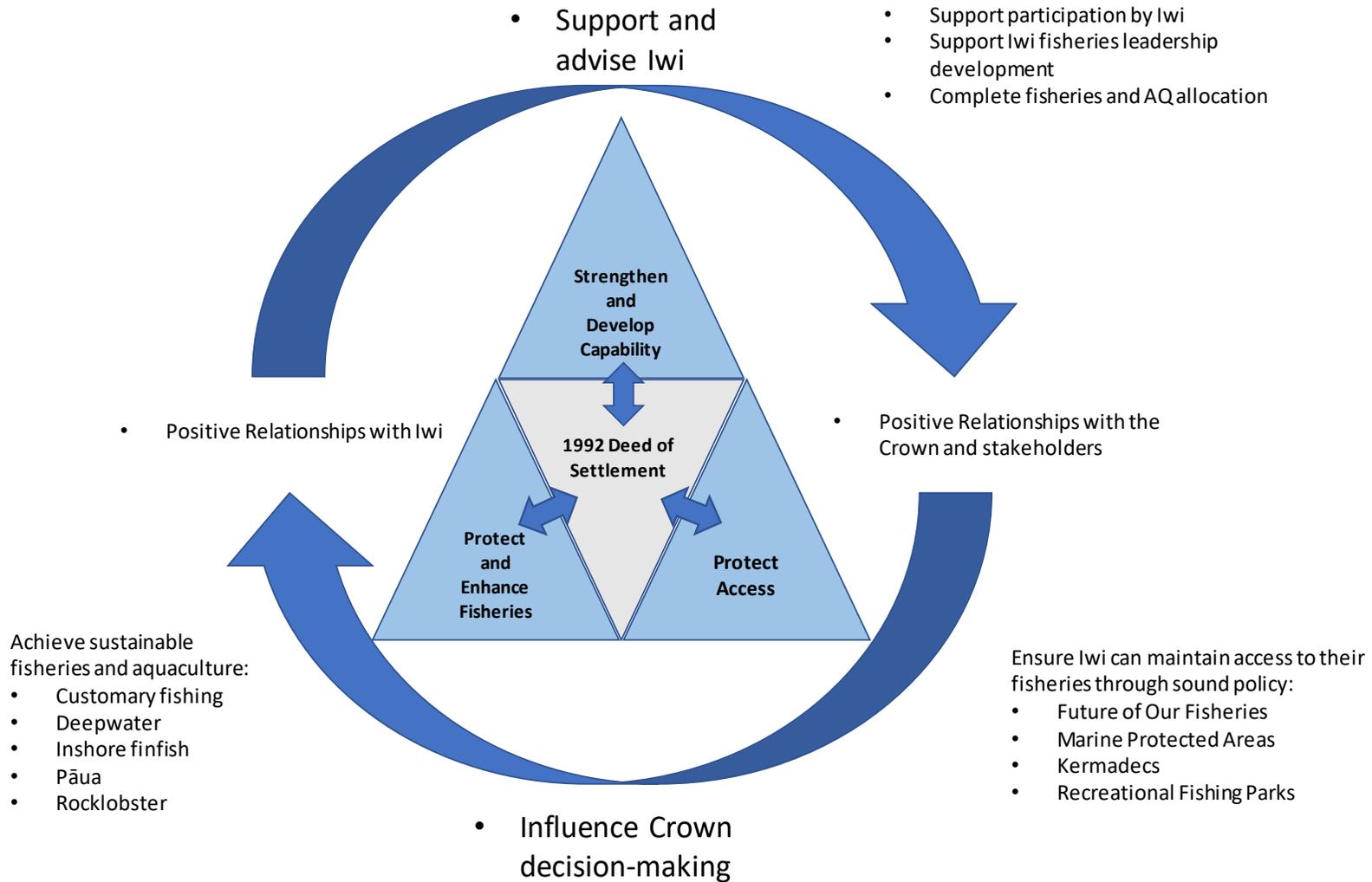
Te Ohu Kaimoana Success Indicators

Mandated Iwi Organisation Satisfaction – Mandated Iwi Organisations are satisfied that Te Ohu Kaimoana provides a valuable and necessary service and delivers services in a way which meets their needs. Te Ohu Kaimoana will establish an annual client satisfaction review as part of the Annual General Meeting process.

Protect Quality and Nature of Rights – Iwi rights guaranteed under the Deed of Settlement are protected through the co-development of Marine and Fisheries policy and legislative mechanisms through proactive and constructive Government engagement.

Financial Performance and Maintenance of Value – Te Ohu Kaimoana services are delivered within the Board-mandated spending rule of a maximum of 4% of total investment portfolio returns (\$79m capital) to maintain and grow the real value of Iwi funds held in trust in the event of future distributions. Unbudgeted projects requiring capital expenditure above \$1m per project must be approved by a Special General Meeting of Mandated Iwi Organisations.

Organisational Model



Financial Projections and Assumptions

The following table sets out the projected income and expenses to achieve the Te Ohu Kaimoana Three-year strategy.

Income	FY15/16 Actual	FY16/17 Forecast	FY17/18 Budget	FY18/19 Budget	FY19/20 Budget
Earnings from Investments	\$3,076,000	\$3,132,000	\$3,334,000	\$3,574,000	\$3,832,000
ACE Sales	\$673,000	\$611,000	\$470,000	\$235,000	\$-
Takutai Funding	\$478,000	\$530,000	\$470,000	\$400,000	\$350,000
Moana New Zealand (AFL) Dividend	\$-	\$1,647,000	\$1,700,000	\$-	\$-
Other Income	\$757,000	\$833,000	\$680,000	\$370,000	\$360,000
Total Income	\$4,984,000	\$6,753,000	\$6,654,000	\$4,579,000	\$4,542,000
Operating Expenditure			FY17/18 Budget	FY18/19 Budget	FY19/20 Budget
Staffing Costs	\$2,216,000	\$2,063,000	\$1,882,000	\$1,940,000	\$1,998,000
Directors Remuneration/Insurance	\$425,000	\$381,000	\$335,000	\$346,000	\$356,000
Consultancy	\$867,000	\$600,000	\$860,000	\$450,000	\$300,000
Legal Costs	\$368,000	\$214,000	\$700,000	\$250,000	\$200,000
Infrastructure, Overhead and Other Costs	\$1,246,000	\$1,122,000	\$870,000	\$870,000	\$870,000
Quota Related Fees/Levies	\$326,000	\$367,000	\$350,000	\$175,000	\$-
Total Operating Expenditure	\$5,448,000	\$4,747,000	\$4,997,000	\$4,031,000	\$3,724,000

Key Assumptions

Income

- Earnings from Investments limited to 4% spending rule of income generated from an opening Capital base of \$79m. It is conservatively assumed the Capital base will increase in size by 0.5% plus CPI. **Note** - minimum targeted investment returns are set at 4.5% plus inflation (forecast 1.8% for September 2017 Quarter) for a total minimum return of 6.3%. Surplus funds achieved over minimum return are reinvested to maintain and grow the value of the fund over time;
- Crown contribution to Takutai funding reduces from \$470k to \$350k as aquaculture activities reduce;
- Moana NZ Ltd dividend income reduces when shares transfer to Iwi following amendments to Māori Fisheries Act 2004;
- ACE income reduces from \$470k (FY17/18) to \$0 (FY19/20) assuming return of quota assets to Te Whanau a Apanui and Ngati Tama;
- Other income includes conference income (based on current year actuals), subsidiary cost recoveries and Māori Authority Tax Credits; and
- No third-party funds have been anticipated as part of this budget at this stage but this has been identified as an area for development.

Expenses

- FY17/18 salaries and wages at \$1.8m (FY16/17 forecast \$2.06m) increasing by 3% year on year;
- Director fees reduced as per Sept 2016 Board resolution;
- Infrastructure, Overhead and Other Costs includes travel and accommodation, reporting and communication, scholarships and koha, national and regional hui and administration.
- Consultancy assumption includes transitional costs resulting from organisational restructure, strategic communications, assistance with fisheries protection, reducing over out years as a result of increased internal capacity; and
- Legal expense assumption includes possible litigation on Future of Our Fisheries, SNA7 and other matters;