

8 June 2018

## TE OHU KAIMOANA RESPONSE

on 'Amendments to regulations to support digital monitoring and innovative trawl technologies in the commercial fishing sector'

### Introduction

1. Te Ohu Kaimoana welcomes the opportunity to respond to the "Digital monitoring and innovative trawl technologies in the commercial fishing sector" consultation document, released on 9 May 2018.

### Who are we?

2. Te Ohu Kaimoana was established to implement and protect the Fisheries Settlement. Its purpose, set out in section 32 of the Maori Fisheries Act 2004, is to "advance the interests of iwi, individually and collectively, primarily in the development of fisheries, fishing and fisheries-related activities, in order to-
  - Ultimately benefit the members of iwi and Māori generally; and
  - Further the agreements made in the Deed of Settlement; and
  - Assist the Crown to discharge its obligations under the Deed of Settlement and the Treaty of Waitangi; and
  - Contribute to the achievement of an enduring settlement of the claims and grievances referred to in the Deed of Settlement.
3. Te Ohu Kaimoana is the representative of 58 Mandated Iwi Organisations (MIOs), who in turn represent all Māori who own the Fisheries Settlement Commercial Assets (Individual Transferable Quota and shares in Aotearoa Fisheries Limited which, in turn, owns 50% of Sealord Group).
4. MIOs have approved a Māori Fisheries Strategy and three-year strategic plan for Te Ohu Kaimoana, which has as its goal "that MIOs collectively lead the development of Aotearoa's marine and environmental policy affecting fisheries management through Te Ohu Kaimoana as their mandated agent".
5. A draft of this response was circulated to MIOs for comment and their feedback has been incorporated. However, our response is not intended to detract from any submission made by iwi or iwi-owned fishing companies.

## Scope of response

6. In preparing our response, Te Ohu Kaimoana was able to view the submission(s) from the four fishing Sector Representative Entities (SREs). The SREs have a thorough understanding of the issues affecting their respective fisheries and include a proportion of MIOs as their members.
7. We support the points raised in the SRE submissions and, given this support, do not consider it necessary that we cover the same matters here or respond directly to the proposed technical amendments. Rather, Te Ohu Kaimoana has chosen to use this opportunity to focus on its concern that Fisheries New Zealand may not fully appreciate how much of a culture change the proposed regulatory system represents to all parties – industry, equipment providers and Fisheries New Zealand itself. We are concerned that this may have affected assumptions associated with the speed that digital monitoring should be implemented.

## Approach

8. Te Ohu Kaimoana supports the proposal to introduce digital monitoring and acknowledges the proposal will enable better informed fisheries management decisions by providing for more integrated and timely data on commercial fishing activities. As the agent of MIOs – the only group to have interests spanning all three fishing sectors – we welcome the development of efficient and effective systems that are fit for the purpose of managing our fisheries.
9. From the draft material that has recently been shared to the Implementation Advisory Group (IAG), it is apparent that there are high expectations over how quickly the proposed regulatory changes can be implemented. In our view, many of the implementation processes that are planned to happen in parallel may actually need to occur in sequence. In addition, subsequent availability of capital and prioritisation of time and expertise to achieve testing, installation, training and operation for any vessel (let alone whole fleets, and all fleets) cannot be expected to immediately align with Fisheries New Zealand’s desires.
10. The Minister of Fisheries has openly stated that we need to ensure digital monitoring is implemented correctly the first time. We recognise that to educate and bring fishers, permit holders, ACE holders, quota owners and licensed fish receivers along will require workable technology and adequate time. We do not seek to unduly delay implementation – but we do want to make sure all the wrinkles have been ironed out.
11. Fisheries New Zealand proposes there will be a “transition window” between November 2018 and 31 March 2019 to begin compulsory implementation of the electronic reporting (ER) and geospatial position reporting (GPR) components of digital monitoring for all remaining fisheries and methods. The sequence of call-up of which fleets/ methods/ permit holders/ regions commencement and completion is still being determined.
12. We understand the desire to commence implementation. We also understand the need to determine a suitable cut-off date so that there is effective transfer to the new system. However, we consider that putting dates in regulations when it is uncertain that all elements can be achieved is unrealistic. It is likely to create greater uncertainty rather than minimise it.
13. We also suggest it would be better to commence the compulsory use of the new system for any fishery on the first day of the fishing year, to ensure the integrity of our fisheries data series. This data is precious to our management system. It is particularly important for time series data to

ensure that there is a clear transition point, in the event that future corrections are required to account for changes in reporting practices.

14. The unrealistic timeframes to the “go live” date of the new systems will invariably cause issues for fishers, permit holders, licensed fish receivers and quota owners alike. If we get this wrong it will likely result in decreased confidence in the new system. Te Ohu Kaimoana therefore considers Fisheries New Zealand should reconsider how it determines and sets out required timeframes for implementation of digital monitoring.

#### *Suggested two-pronged approach*

15. In order for Fisheries New Zealand to gain a better appreciation for how much of a culture change the proposed regulatory system and allied business practices represent, we consider it could:
  - take further advice from experienced regulators on regulatory change management (risks and opportunities); and
  - set up a joint working group comprising itself, Te Ohu Kaimoana and SRE representatives to oversee the revision of the implementation plan for ER and GPR and allied issues.

#### *Advice on regulatory change management*

16. To get a better appreciation of how the implementation of a regulatory change such as the one proposed should be approached, Te Ohu Kaimoana considers Fisheries New Zealand should seek advice from other regulatory bodies with experience in implementing changes that were similar in terms of scale and required culture change. The experiences of Environment Canterbury (and the industry bodies linked to water use such as Irrigation NZ) in implementing telemetry systems to support regulation of freshwater use could be used as a case study by Fisheries New Zealand.
17. While other case studies may be available, we are suggesting Environment Canterbury on the basis that the Canterbury Region administers over 60% of water used for primary production purposes in New Zealand, and manages more farms using water than we have commercial fishing boats. Environment Canterbury’s experience across the ‘whole of life’ for their quantum change with technology and policy – design, implementation, monitoring and enforcement – could provide valuable insights for Fisheries New Zealand.
18. We consider Fisheries New Zealand could take further advice on whether it could play an active role in the accreditation of technology. While we recognise that it is not the role of Fisheries New Zealand to test the new technology – and that it has neither the capability nor capacity to do so – we do consider that it should have responsibility for ensuring the technology is useable and fit for purpose. Doing so would provide industry with confidence that they are spending their money on technology that fulfils all necessary requirements and will not cause them to run into compliance issues. If accredited technology fails it should be a collective responsibility to address underlying causes.
19. We further consider Fisheries New Zealand should take advice on whether the implementation of key elements in the new circulars should be pushed back until the industry has fully transitioned to using the new reporting technology. The circulars appear to set out very detailed arrangements that change the status quo without first establishing a clear policy for key areas such as how a landings/discards policy will apply and the connections to TAC/TACC settings. We consider it would make more sense to first focus on improving the quality of reporting – to gain better

information about our fisheries – and then use the improved data to identify the full range of management settings that need adjustment.

20. If Fisheries New Zealand were to take such advice, it would reassure Te Ohu Kaimoana and MIOs that Fisheries New Zealand is aware of and adopting best practice in support of this stage of digital monitoring – this will need to be achieved if there is to be successful implementation.

#### *Joint working group*

21. We consider the establishment of a joint working group – with the mandate to finalise the implementation plans for ER and GPR and develop and agree the associated policy issues – would lead to better outcomes and would result in better buy-in to the new reporting regime by the fishing industry.
22. SREs and Te Ohu Kaimoana (calling on fisher and technical expertise as needed) are well placed to provide Fisheries New Zealand with realistic information about how digital monitoring can be implemented in a workable way – we all want digital monitoring, and the associated management benefits, but we want the system implemented sensibly.

#### **Conclusion**

23. Te Ohu Kaimoana remains supportive of the proposal to introduce digital monitoring, and we look forward to the management benefits that it and the resultant change processes will bring. However, we want to avoid a rushed imposition of digital monitoring on the fishing industry that could significantly add to the costs of doing business and place more pressure on tight profitability margins without delivering improved fisheries management benefits. We consider that the above recommendations would go a long way to ensuring the implementation of digital monitoring is realistic and sensible.
24. We welcome the opportunity to discuss this response further with you.

Ngā manaakitanga



Dion Tuuta  
**CHIEF EXECUTIVE**