



Allocation Model

The model contained within the Maori Fisheries Act is a finely balanced set of compromises that was supported by more than 90 percent of iwi. It covers both the assets provided to Maori in 1989 as an interim settlement and those assets contained in the 1992 'full and final' Sealord deal.

QUOTA AND CASH

All fishing quota and the majority of cash held directly by the Treaty of Waitangi Fisheries

Commission will be transferred to mandated iwi organisations who will manage these assets on behalf of all of their iwi members. These assets represent around half of the settlement assets estimated at \$350 million.

Quota is generally allocated and transferred as either inshore or deepwater quota. The allocation formula for inshore quota is based solely on the proportion of an iwi's coastline to the total coastline in each quota management area. The allocation formula for deepwater quota will see 25 percent transferred using the coastline formula and 75 percent transferred using the proportion of the tribe's population to the overall Maori population.

An exception has been made for the Chatham Islands. A special 200 nautical mile zone around the Chatham Islands has been created for allocation purposes. All inshore quota within that zone is allocated to Chatham Islands iwi. The allocation formula for deepwater quota within the zone will see 50 percent transferred to Chatham Island iwi on the basis of their coastline and 50 percent transferred to all iwi on the basis of each tribe's population.

Cash is allocated based on the proportion of an iwi's population to the overall Maori population. Some iwi will receive a 'top-up' of cash to ensure that each iwi organisation receives a minimum allocation of \$1-million in 'capital' from the settlement.

The iwi that are likely to receive the largest parcel of assets represent a mix of coastal and populous iwi. They are Ngai Tahu, Ngati Kahungunu, Ngapuhi, Ngati Porou, Chatham Islands iwi (Mori and Ngati Mutunga) and Waikato.

COMPANY SHARES

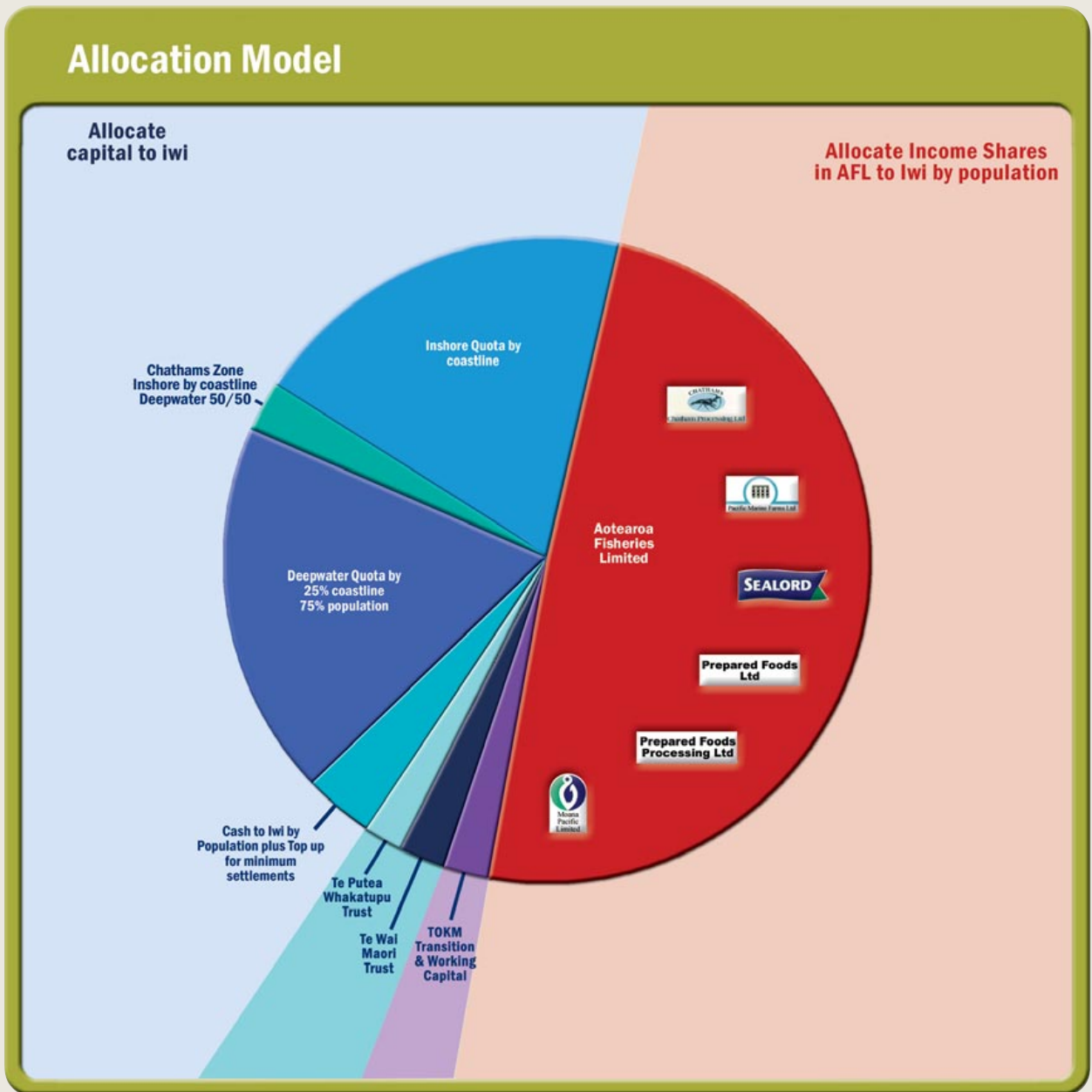
A new company called Aotearoa Fisheries Limited (AFL) will consolidate into one group the current share holdings in Sealord (50 percent), Prepared Foods (50 percent) and 100 percent ownership of Moana Pacific, Chatham Islands Processing, Pacific Marine Farms and Prepared Foods Processing .

AFL will receive and commercially manage those companies and their assets for Te Ohu Kaimoana on behalf of all iwi. AFL will be a substantial business by New Zealand standards and particularly within the New Zealand fishing industry. The value of the company is estimated at \$350 million.

AFL will have both voting and income shares. Te Ohu Kaimoana will initially hold both the voting and income shares but 80 percent of the income shares will be allocated to iwi based on the proportion of an iwi's population to the overall Maori population. Iwi will receive dividends from AFL based on the income shares they hold.



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Key Organisations

Iwi will be the primary agencies through which benefits from the Maori Fisheries settlement flow to their iwi members. Anyone of Maori descent can also apply for education and training scholarships from Te Putea Whakatupu Trust.

The Maori Fisheries Act places a number of legislative requirements on all organisations that will be responsible for managing part of the Maori fisheries settlement.

IWI ORGANISATIONS

Before any quota, cash or income shares are transferred iwi organisations are required to meet governance, structural and representational requirements including a register of iwi members that meets minimum numbers as specified in the Act.

Iwi will need to reach agreements with neighbouring iwi on coastline entitlements and where relevant, freshwater stocks and harbour boundaries.

Te Ohu Kaimoana can only transfer assets when iwi have met the key requirements in the legislation. Te Ohu does have discretion to transfer some assets if iwi organisations can show that they have met all of the criteria except for the agreements on all coastline and other boundaries.

CENTRAL ORGANISATIONS

A Maori electoral college, called **Te Kawai Taumata** will be established to appoint Commissioners on Te Ohu Kaimoana. The electoral college will be made up of representatives from each of the 10 iwi regional groupings and one on behalf of specified Maori organisations.

Te Ohu Kaimoana will hold assets on behalf of iwi in the form of cash and quota until they are ready to receive them. It will have a governance role over Aotearoa Fisheries Limited, Te Putea Whakatupu Trust and Te Wai Maori Trust. It will also provide policy advocacy and advice on fisheries management.

Aotearoa Fisheries Limited is a commercial company that will manage assets transferred to it by Te Ohu Kaimoana. It will be run by a board of five directors who will be appointed by Te Ohu Kaimoana for their expertise. As part of its accountability to its income shareholders it will provide an annual report, along with unaudited half year accounts and audited yearly financial statements.

Te Putea Whakatupu Trust will receive \$20-million at the end of the 5 year transition so it can fund and promote the training and education of Maori individuals, including those who are interested in entering into the business and activity of fishing. Te Putea Whakatupu will receive assistance during the transition from Te Ohu Kaimoana.

Te Wai Maori Trust will receive \$10 million at the end of the 5 year transition and a further \$10 million over the next 10 years to advance Maori interests in freshwater fisheries. It will also receive assistance during the transition from Te Ohu.

Te Ohu Kaimoana, Aotearoa Fisheries Limited, Te Putea Whakatupu Trust and Te Wai Maori Trust will all participate in regular audits and be part of the substantive review occurring during the 11th year.



Key Organisations

