

Fourth Quarter Report

1 Hōngongoi - 30 Mahuru 2018



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Summary

This briefing for Iwi provides an overview of Te Ohu Kaimoana's work against the 2017/18 Annual Plan and covers the period 1 July 2018 to 30 September 2018.

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Karakia

Poua ki runga Poua ki raro Poua ki tāmoremore nui no papa Poua ki tāmoremore nui nō rangi E rongo he aio Tēnā tawhito pou ka tū E kore e uea E kore e unuhia E kore e hinga E kore e wharara Tēnei te pou ka tū, e hai!

Executive summary



Tēnā koutou katoa,

This is Te Ohu Kaimoana's fourth quarterly (Q4) report to Iwi against the 2017/18 Annual Plan and covers the period 1 July 2018 to 30 September 2018.

The key strategies and work streams identified for the year are:

- Maintaining and growing positive relationships with lwi and key stakeholders;
- 2. Reorganising Te Ohu Kaimoana's capacity for the future;
- Developing and responding to initiatives to protect and enhance Māori fisheries rights; and
- 4. Completing statutory duties.

As with our previous quarterly reports, this report has been developed to give more regular insight into the work the organisation undertakes on behalf of Mandated Iwi Organisations.

For the fourth quarter of the 2017/18 year, Te Ohu Kaimoana delivered its services in line with the budget of the 2017/18 annual plan at a cost of \$984,891 against a budget of \$1,016,885 – a \$31,994 positive variance.

As always, we welcome your feedback on the structure and content of our reporting.

High level results from Te Ohu Kaimona's satisfaction survey



Fish stock management

A key focus for us in the fourth quarter of the year was on working with Iwi to understand the implications arising from changes in fish stock abundance and preparing advice on fisheries management settings. This primarily involved responding to proposals developed by Fisheries New Zealand.

In the lead up to the proposals being released, we developed and supported an Iwi working group to evaluate and promote options for addressing the latest fishery assessment information. Tarakihi (managed as four stocks) on the East Coast was of particular interest this quarter, and a was primary focus for our Iwi working group.

This working group aligned with a wider industry position and supported a comprehensive management package that was ultimately accepted by the Minister. However, rather than deliver catch reductions through shelving of ACE, the Minister decided on the advice of his officials to reduce the TACC.

We also participated in a similarly robust process to develop a response to an observed reduction in hoki spawning biomass on the west coast of the South Island. The outcome in this instance was to evoke shelving of 20,000 t of ACE, cancel the carry over rights for 9,000 t of ACE and implement a series of fine scale area closures.

The shelving was able to be successfully implemented because the Ministry had not placed Aotearoa's largest fishery under review and therefore had no opportunity to advise the Minister differently. In their opinion, the science suggested the stock was healthy and above their management target.

The contrast between the successful use of shelving of ACE by the industry in the hoki fishery, with the unwillingness of officials to support that approach as a legitimate fisheries management option available for the Minister to take into account, highlights a real issue.

At its heart, this issue is about viewing the QMS as a system that supports a rights and responsibilities approach to fisheries management (shelving), versus one that needs to be driven by a top down, command and control approach (TACC reductions).

The Minister has indicated that he sees the work of the Shelving Working Group as central to resolving this impasse, however that group was placed on hold by the Ministry for the latter part of the reporting period. This had the effect of allowing the Ministry to advise the Minister of their view on shelving without recourse to a wider peer group.



Aquaculture settlements

Another key focus for us in the fourth quarter of the financial year was ensuring the allocation and transfer of aquaculture settlement assets to Iwi Aquaculture Organisations (IAOs) in the Tasman and Canterbury regions.

Tasman

Under the aquaculture legislation regime operating between 1 January 2005 and 30 September 2011, aquaculture was prohibited except where Councils or private applicants made changes to the regional coastal plans to allow for aquaculture in specific areas called Aquaculture Management Areas (AMAs). There are two areas of AMAs across the country– in the Tasman region and in the Hauraki Gulf in the Waikato region. Under this regime, authorisations for 20% of the AMA space are provided to Iwi through Te Ohu Kaimoana. The AMA in the Tasman region is 2,000 ha meaning that Tasman IAOs were provided with aquaculture settlement assets in the form of authorisations to develop 400 ha worth of aquaculture space in the Tasman AMAs in Tasman and Golden Bay.

There was no sound basis for immediately dividing the Tasman aquaculture settlement assets equitably among lwi as, in the absence of the water space being developed, there is little information on the productive capacity of the space. In addition, a feature of the Tasman Resource Management Plan is that generally aquaculture in these subzones must proceed in stages and the next stage cannot proceed until Council approves that an analysis of full monitoring of the activity for the previous 2 crop rotations or 3 years shows no adverse environmental effects.

To overcome this, Tasman IAOs agreed they would establish jointly-owned companies to hold the authorisations until the water space is developed. Following execution of an Allocation Agreement, the authorisations have been transferred to eight jointly owned asset holding companies and a ninth jointly owned company, Maara Moana Limited, will undertake development of the water space.

Canterbury

The Canterbury Regional Agreement was executed on 21 September 2018. Through that Agreement, the Crown provided two authorisations to develop water space in Lucas Bay, Akaroa Harbour. On the same day, an Allocation Agreement for the allocation and transfer of the Canterbury aquaculture settlement assets was executed.



Financial performance against plan

The following table summarises each area of work identified in the 2017/18 annual plan. The table compares actual to budgeted expenses for quarter as well as the year to date.

Table one

Summary of Annual Plan FY 2018 Goals and Objectives	Quarter four (1 July - 30 September 2018)			Year to date (2017/18 Financial Year)		
Areas	Actual	Budget	Variance	Actual	Budget	Variance
Fisheries Allocation	142,058	111,975	(30,083)	358,608	447,900	89,292
Fisheries Policy	99,478	132,846	33,368	315,366	531,384	216,018
Aquaculture Allocation	102,273	121,018	18,745	434,867	439,132	4,265
Aquaculture Policy	50,908	29,967	(20,941)	119,890	119,868	(22)
Māori Fisheries Act Review	-	20,502	20,502	27,019	82,008	54,989
Governance Services	129,682	109,424	(20,258)	450,675	457,396	6,721
Management Services/ Relationships	188,883	256,274	67,391	959,279	1,028,880	69,601
HR & Infrastructure costs	271,608	234,879	(36,729)	1,926,635	1,890,653	(35,982)
TOTAL	984,891	1,016,885	31,994	4,592,339	4,997,221	370,303

These figures shown in the table above have not been audited.

Note: aquaculture funding from MPI was showing \$559k in the final annual plan sent to Iwi. This amount was subsequently changed to \$525k. Year end results show that aquaculture went over plan by \$29k which will be recovered from MPI.

Comments on Quarter Four variances:

- Fisheries allocation unfavourable by \$30k due to Quota broker fees to value quota yet to be distributed to Iwi. This is a timing issue as YTD shows a favourable variance.
- Fisheries policy favourable by \$33k due to legal advice not needed to be utilised.
- Maori Fisheries Act Review favourable by \$21k as legal advice hasn't been required in this quarter. Te Ohu have been able to provide answers to MPI questions so far.
- Management Services/Relationships favourable by \$67k due to savings in expenditure as expenses not occurring as expected and/or projects not starting.
- HR and infrastructure costs are unfavourable due to depreciation on the fitout cost of the new premises.

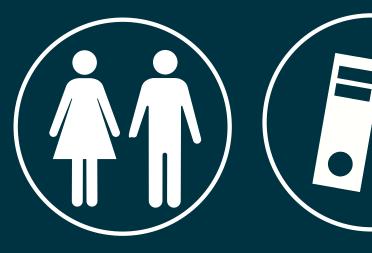
Comments on overall variances:

- Fisheries Allocation favourable by \$89k is due to quota assets distributed to lwi earlier in the financial year. The associated levy costs move with the quota assets. The budget assumed that these assets would move later in the year.
- Fisheries policy favourable by \$216k due to legal costs not eventuating as expected, ie Kermadec and the change in government which put all work on hold for a few months.
- Aquaculture allocation unfavourable by \$29k due to increased use of consultants which enabled \$30m for the Marlborough settlement to be distributed to lwi.
- Maori Fisheries Act Review was presented to MPI earlier in the financial year. Changes in government slowed down any progress made. It has only been in the last quarter that MPI have begun to review the Maori Fisheries Act amendments. No money has been spent in this quarter as Te Ohu staff have been able to deal with questions from MPI.
- Management Services/Relationships favourable due to savings in expenditure as expenses not occurring as expected and or projects not started.
- HR and infrastructure costs are unfavourable due to depreciation on the fitout costs of the new premises.

Snapshot of Iwi satisfaction in 2018

33% of those invited

(55 people) completed the annual satisfaction survey





marked their level of knowledge about Te Ohu Kaimoana as 'a lot' or 'a fair amount'



see Te Ohu Kaimoana's role as 'very important' or 'important'





89% see the staff of Te Ohu

Kaimoana as 'very knowledgeable' or 'knowledgeable'

87%

believe that Te Ohu Kaimoana do a good job of representing Māori fishing interests to the crown



82%

believe that Te Ohu Kaimoana do a good job of representing a collective Iwi view when responding to the government

Around the motu in the fourth quarter

90

Fisheries New Zealand recently consulted on a proposal to change the Total Allowable Catch for Green Lip Mussel 9 (GLM9). During the consultation period, Te Hiku Iwi raised several issues about the practices of spat harvesters on 90 Mile Beach (which involves multiple bulldozers in the surf zone).





Representatives of Aotearoa's deepwater fishing industry took proactive action in regard to the sustainability of the hoki fishery and will not fish 22 percent (or 20,000 tonnes) of the West Coast hoki catch limit in 2018/19

2011

The Bay of Plenty Regional Council has received a coastal permit (resource consent) application for a large mussel farm development off the Ōpōtiki coast. The first aquaculture development in the Bay of Plenty to be applied for since January 2011.

98,000

The amount of people that Te Ohu Kaimoana reached around the motu via our social media channels in this quarter. We launched 'te ika o te rā' during te wiki o te reo Māori in an effort to get people to pronounce the Māori names of fish correctly.



28N Rights

We responded to the Minister's decision to increase the TACC in PAU 5B – which would have triggered 28N rights in the fishery – by filing legal action, alongside Te Rūnanga o Ngāi Tahu. We gained an interim order to prevent the proposed TACC increase in PAU 5B.

Operational performance against annual plan

The following summarise what Te Ohu Kaimoana worked on during Q4 in each of the highlighted areas.

Fisheries

Allocation

Objective 1: Assist Iwi gain/retain MIO status and transfer population-based assets where relevant by 30 September 2018; and Assist Iwi to transition their Post Settlement Governance Entity (PSGE) to a new MIO where required.

- We worked with Te Rūnanga o Ngāti Tama on establishing a mandated iwi organisation for Ngāti Tama (Taranaki) within this financial year and, at their request, will resume discussions with them in early 2019.
- We have requested that Te Whānau-ā-Apanui provide us with regular updates outlining their progress towards establishing a Mandated Iwi Organisation.
- We are working with the Office of Treaty Settlements to assist Te Rūnanga o Ngāti Whātua to transfer their Mandated Iwi Organisation status to their future PSGE.

Objective 2: To allocate and transfer remaining settlement assets:

- Wellington Iwi have agreed to participate in mediation to resolve their coastline dispute. This process will be carried out in FY 2018-19.
- We have continued to assist Manawatū Iwi to develop a process for resolving their coastline dispute. This work will continue in FY 2018-19.
 - We have explored using our powers under section 148 of the Act to allocate and transfer longfin and shortfin eel for areas 20 and 21. All iwi in LFE/SFE20 have agreed to Te Ohu Kaimoana transferring the quota shares based on the 2001 Census data. The transfer of LFE/SFE20 shares will occur once a binding agreement is signed by the relevant MIOs.

Objective 3: Facilitate agreements using statutory processes under the Act (s 181 and 182) where required:

In Q2 we received an application to determine a coastline dispute in accordance with s181. We declined to determine the dispute and have worked closely with the relevant lwi to develop a process to resolve the dispute. If the dispute resolution process does not resolve the coastline dispute between the parties, we will refer the dispute to the Māori Land Court in accordance with s182(4).

Objective 4: Make ACE available to Iwi who have not received their settlement assets:

• We completed the April 2018 ACE Round. One dispute was raised, which we dealt with in accordance with s152 of the Act.

Objective 5: Allocate and transfer funds on trust:

 An ongoing piece of work is the continuous review of funds held on trust and the status of disputes. It was not possible to facilitate agreements between lwi during Q4.

Objective 6: MIO and Te Ohu Kaimoana compliance with the requirements of the Māori Fisheries Act:

 We are engaged with three MIOs for which issues of compliance with the requirements of the Maori Fisheries Act 2004 have arisen. We are involved in different processes with each lwi to resolve these compliance issues.

Fisheries



Policy

Objective 1: Develop and respond to initiatives to protect and enhance Māori fisheries rights:

- In order to effectively protect and enhance Māori fisheries rights, it has become clear that we need to have a better understanding of, and input into, the international context that Aotearoa fits within. With this in mind, we had discussions with MFAT that resulted in Te Ohu Kaimoana being invited to join the New Zealand delegation for the first session of an Intergovernmental Conference. The purpose of the conference was to develop a new United Nations treaty on the conservation and sustainable use of marine Biodiversity Beyond National Jurisdiction (BBNJ). This relates to areas outside our EEZ. The invitation was accepted, and the conference was attended by our Chair, Jamie Tuuta. Te Ohu Kaimoana provided background briefing notes to support Jamie at the Conference.
- At a more regional level, we have also been actively engaged in the work of the South Pacific Regional Fisheries Management Organisation (SPRFMO). Australian and New Zealand (through MFAT, MPI and DOC) have been negotiating a new Conservation Measure (CM) that will impact on New Zealand's access to fishing grounds on the High Seas within the SPRFMO area. The fisheries under scrutiny include the straddling stock (area outside the EEZ) component of the ORH7A fishery, of which Iwi and Sealord collectively own around 50% of the quota shares. In this instance we are not invited to be part of the New Zealand negotiation team, yet significant Settlement Assets are at risk of being reallocated to Australian interests.
- As the fourth quarter was coming to an end, it was becoming increasingly apparent that the discussions under both BBNJ and SPRFMO had linkages back to the International Convention on Biodiversity. New Zealand has been a signatory to this since 1993, and momentum is now building towards a new global framework for protecting biodiversity (on land, freshwater and sea) scheduled to be in place in 2020. In the run up to this, the New Zealand Biodiversity Strategy will be revised by 2019. This carries related risks of not aligning with the revised international

framework and of officials not understanding the protection afforded to marine biodiversity through the rights and responsibilities inherent under the Quota Management System (in favour of a spatial planning approach that is being promoted by some NGOs).

- During the quarter, we worked with Moana NZ to facilitate a hui on PauaMAC2's proposal to subdivide PAU2. Those Iwi that attended the hui voted against the proposal and Moana NZ subsequently communicated to PauaMAC2 that they do not support it. However, Iwi representatives have agreed that further discussions need to be had about the management of PAU2. We are working with Moana NZ to facilitate another hui to discuss the various issues affecting management of PAU2.
- We developed a comprehensive response to Fisheries New Zealand's review of sustainability measures for 1 October 2018. This included the review of stocks such as East Coast tarakihi, North Island longfin eels and southern bluefin tuna. A copy of our substantive response is available here and a copy of our response on the sustainability measures proposed for North Island longfin eels is available here.
- We responded to the Minister's decision to increase the TACC in PAU 5B – which would have triggered 28N rights in the fishery – by filing legal action, alongside Te Rūnanga o Ngāi Tahu. We gained an interim order to prevent the proposed TACC increase in PAU 5B.

Fisheries



- We attended deepwater group stakeholder and science meetings to gain further knowledge on the status of the hoki stock and the inputs into the stock assessment model. At a stakeholder meeting in August, skippers expressed concern over the reduced catch of hoki, particularly on the west coast of the South Island. This was in direct contrast to the stock assessment science which did not indicate a sustainability issue. Te Ohu Kaimoana relayed this information to MIOs and facilitated a hui with Iwi representatives at which Sealord explained the issue from their perspective. Sealord then went into industry negotiations for shelving arrangements and operational procedures for the 2018/19 fishing year. Te Ohu Kaimoana was also a participant in those negotiations.
- We responded to Fisheries New Zealand's consultation of the PAU4 Fisheries Plan during the fourth quarter. We also responded to Fisheries New Zealand's review of recreational management measures in PAU3, PAU7 and CRA5.
- We continued to facilitate discussions between the Rangitaiki tuna steering group and industry, to address spatial conflict in the fishery. A draft strategy framework was agreed to by Rangitaiki lwi on 10 July and was subsequently been endorsed by industry. Te Ohu Kaimoana worked with Rangitaiki lwi and industry to implement the agreement and progressed the development of a research and monitoring program.
- Te Ohu Kaimoana staff continue to participate in a range of industry and government forums and processes in order to protect and enhance lwi settlement interests. These fora include Seafood New Zealand; Deepwater Group (DWG); National Rock Lobster Management Group (NRLMG); Fisheries Inshore New Zealand (FINZ); the Hawkes Bay Marine and Coastal Group (HBMaC); MPI forums for Highly Migratory Species (HMS); science working groups; Sustainable Seas; and the Commercial Fisheries Forum (CFF) - where all seafood Sector Representative Entities (SREs) meet to enhance collaboration across the commercial sector.

Objective 2: Management of customary fishers:

- We worked on the redevelopment of the IkaNet on-line customary reporting system and are transitioning away from the current model. We contracted a new provider for the system and worked with them to scope the rebuild of the system. The current system will be shut down on 1 January 2019.
- Due to the increased focus in updating the IkaNet system, we deferred work on the development of a Customary Fisheries Strategy. We determined that is work would be better to commence once we had improved administration and systems in place.
- We continue to await Fisheries New Zealand's decision on the rohe moana applications lodged by lower North Island and top of the South Island lwi. If approved, the applications will form a key part in establishing multiple lwi deepwater pātaka systems which will be administered through the lkaNet on-line reporting system. We expect a decision by the end of the year.

Objective 3: Protect Māori fishing rights from access threats:

- We have become a member of the Hawke's Bay Marine and Coastal (HBMaC) Group. The HBMaC Group is made up of various interest groups and focuses on regional issues encompassing a mountains to sea ecosystem approach. The Hawke's Bay Regional Council are actively involved and provide information about catchments and sediment loading into the marine space. There is potential for the Sustainable Seas Challenge to provide research for this area as an input to the HBMaC Roadmap. As we have also had ongoing involvement with the Challenge we will be engaging in this process.
- We continue to engage with the Motu Ihupuku/ Campbell island Marine Reserve review. We hosted the review team to discuss their analysis of the data available and will be providing a formal response to the draft recommendations later in



Fisheries



Policy - continued

- We continue to engage with the Crown about the proposal to establish an Ocean Sanctuary over the Kermadecs (right).
- We provided legal advice to the Minister of Fisheries regarding his obligations to review the allocation of the TAC in the SNA7 fishery. This obligation arises because the Minister has made an allowance for the recreational catch that exceeds the highest catch estimates by some margin, due in part to his officials relying on preliminary rather than final estimates of catch. The allocation of the TAC also raises policy issues in relation to lwi expectations post Settlement. The Minister has indicated he will await updated catch estimates (due in 2019) before deciding whether or not to review the allocation of the TAC.

Aquaculture



TE OHU Kaimoana

ige: Government Ministers and Möori Negotietors sign the 1992 Deed of Settlement. Photo: Fairfax Media N2



Allocation

Objective 1: Facilitate allocation agreements for precommencement assets:

 We continued to engage with Bay of Plenty Iwi to develop an allocation methodology for the aquaculture settlement assets we currently hold on their behalf, in anticipation of the Maori Commercial Aquaculture Claims Settlement Act 2004 being amended so as to enable that process to be completed.

Objective 2: Assist Iwi to agree representative space in each of the Tasman region Aquaculture Management Areas subzones with the applicants for those subzones and reach allocation agreements between all Iwi of the region by 31 December 2017:

 We have continued to engage with Tasman lwi with the establishment of jointly owned companies to hold and manage the settlement space in the Tasman and Golden Bay AMAs as part of the allocation of these assets. We are in the final stages of completing the allocation process and facilitating the handover of information to the directors of the joint companies.

Objective 3: Facilitate new space agreements and agreement on allocation of those assets:

- On Friday 21 September 2018 the Canterbury New Space Regional Agreement was executed. Through this agreement, Iwi will receive two authorisations to develop aquaculture space in Lucas Bay, Akaroa Harbour as well as approximately \$1.2 million in Crown financial assistance monies to assist with the costs of applying for resource consents to develop the space. On the same day, an Allocation Agreement for those assets was executed.
- An allocation agreement between all Northland lwi is not possible. We have continued discussions with Northland lwi Aquaculture Organisations (IAOs) about the use of Schedule 1 of the Maori Commercial Aquaculture Claims Settlement Act 2004 to achieve allocation for those lwi that wish to claim a portion of the assets we hold on their behalf. This work is positive and ongoing.

Aquaculture



Allocation - continued

- The Bay of Plenty Regional Council has received a coastal permit (resource consent) application for a large mussel farm development off the Öpōtiki coast. As this is the first aquaculture development in the Bay of Plenty to be applied for since January 2011, it has triggered a two-year timeframe within which the Crown needs to enter into a New Space Regional Aquaculture Agreement with Bay of Plenty Iwi. We have facilitated a preliminary discussion between Bay of Plenty Iwi and the Crown, and will continue to work with both parties to achieve a Regional Agreement ahead of the statutory deadline of November 2019.
- Te Rūnanga o Ngāi Tahu and Fisheries New Zealand officials continued their search to identify suitable settlement space in the Southland region. We will continue to assist Ngāi Tahu and the Crown where appropriate. The statutory deadline for this regional settlement is February 2019, but that date can be extended by agreement between lwi and the Crown.

Objective 4: Assist Iwi and the Crown to agree the value and form of additional new space settlement assets where applicable:

We continued to work with Marlborough IAOs and particularly an Iwi Working Group - to facilitate engagement with New Zealand King Salmon about the proposal that the Minister of Fisheries use his powers under section 360A of the Resource Management Act 1991 to alter the Marlborough Resource Management Plan to enable the relocation of particular salmon farms. The Minister has requested feedback from Marlborough IAOs on the Marlborough Salmon Farm Relocation Advisory Panel's recommendations before he makes any decision. If the Minister does decide to relocate particular salmon farms, it will create a significant additional new space settlement obligation for salmon farm space in the Marlborough region and Iwi have indicated that their preference will be authorisations for space at the same time. We continue to facilitate meetings between the Iwi Working Group and New Zealand King Salmon representatives to explore whether a common approach can be agreed.

In late 2017, the Northland regional council received two applications for mussel spat-catching off 90-mile beach. If the applications are consented, this will create significant additional settlement obligations on the Crown to Northland Iwi. Mussel spat was not included in the 2014 New Space settlement forecasts, so we have begun working with MPI on a process to forecast the actual and anticipated development of mussel spat catching across all regions, and then on an exercise to value those Crown's settlement obligations. We are also working with Northland Iwi to decide the form of assets they would like to take in satisfaction of the Crown's obligations.

Objective 5: Amendments to the Maori Commercial Aquaculture Claims Settlement Act 2004:

We have met twice with MPI officials to discuss the rationale behind our proposal to amend the Maori Commercial Aquaculture Claims Settlement Act 2004. Ensuring this proposal is adopted by the Minister for Fisheries will be a primary focus throughout FY 2018-19, given it is necessary to ensure allocation of aquaculture settlement assets that are currently withheld from nearly half the IAOs that can receive aquaculture settlement assets.

Objective 6: Provide input into review of the Minister's New Space plan:

MPI and Te Ohu Kaimoana have jointly commissioned Bruce Cardwell of Aquaculture Direct to review the valuation inputs (productivity, costs, wharf prices etc) used in the new space valuation models built in 2014 to determine the value of the space (and the Crown's settlement obligation) in each region. Bruce has also been contracted to provide the inputs for a new valuation model for Mussel spat catching that we will be working with EY, MPI and Aquaculture Direct to create.

Allocation - continued

Objective 7: Assist Iwi organisations to become IAOs:

We became aware that, due to a legislative oversight, one Mandated Iwi Organisation lost their Iwi aquaculture organisation status when their Mandated Iwi Organisation status was transferred to a new entity through the passage of their settlement legislation. We have since rectified this situation and recognised the new entity as the Iwi aquaculture organisation for the relevant Iwi.

"On Friday 21 September 2018 the Canterbury New Space Regional Agreement was executed."

Policy

Objective 1: Protect the interests of Iwi in aquaculture by collaborating with Iwi, the aquaculture industry and government to identify and address any threats to aquaculture:

Fisheries New Zealand recently consulted on a proposal to change the Total Allowable Catch for Green Lip Mussel 9 (GLM9). During the consultation period, Te Hiku Iwi raised several issues about the practices of spat harvesters on 90 Mile Beach (which involves multiple bulldozers in the surf zone). Spat taken from within GLM9 supplies most of the spat used for mussel farming in New Zealand and so it is an incredibly valuable resource to the aquaculture industry. We are looking to support a working group of lwi interests - those involved in aquaculture development, quota owners and those who have associations with 90 Mile Beach – to coordinate an acceptable management procedure and beach protocol that can then be supported by wider aquaculture and quota owning interests and agreed with the harvesters. Both Aquaculture New Zealand and the Minister of Fisheries made reference to the importance of this at the Aquaculture Conference held in Blenheim. This work will continue as a matter of priority in FY 2018-19.

Māori Fisheries Act 2004 review implementation



During the last quarter we continued to engage with MPI officials over the proposals to amend the Māori Fisheries Act 2004. Our engagement built on the approach taken during the third quarter which ensured officials had sufficient understanding of the Iwi agreements and the summary advice paper presented to the Minister of Fisheries.

MPI provided additional advice to the Minister proposing that they proceed with draft legislative amendments and a draft cabinet paper was circulated to relevant Ministers for comment. We will continue to engage with officials as a matter of priority during 2018/19.

Governance services



We recently welcomed Pahia Turia (Ngā Wairiki, Ngāti Apa, Whanganui, Ngā Rauru and Ngāti Tūwharetoa), and Kim Skelton (Te Ātiawa - Taranaki, Ngāti Raukawa ki te Tonga) as alternate directors.

Moana New Zealand, Te Wai Māori Trust, Te Pūtea Whakatupu Trust and Sealord provide updates on their performance at each Te Ohu Kaimoana board meeting.

The performance of the portfolio fund for the year achieved a 7.4% return compared with a budgeted

6.2% return, and the previous year's return of 10%. The expectations of how the fund would perform was highlighted to Te Ohu Kaimoana throughout the year by Cambridge Associates, who advised that the returns would still be higher than budget but would not be as high as last year.

Work has begun on the annual report for 30 September 2018 with a view to have this document finalised before Christmas.

Management services and relationships



Reviewing office policy documents continues at a steady pace.

The annual plan for 2019 has been approved and sent out to lwi for comments. The annual plan can be found on Te Ohu Kaimoana's website.

HR and infrastructure



The earthquake insurance claim from the November 2016 event still remains outstanding, however we are close to agreeing the to a final amount.



Communications



Provide regular quarterly updates to lwi and other stakeholders on the work of Te Ohu and subsidiaries;

Te Ohu Kaimoana has sent 24 individual pānui to MIOs, RIOs an AHCs during this past quarter to a total number of 5,673 recipients. Issues communicated to Iwi about were;

- consultation with Iwi on the October sustainability round, Hon Stuart Nash's (the Minister) decisions on sustainability management measures for the 2018/19 Fishing Year, and Te Ohu Kaimoana's collective findings on those decisions,
- the hoki fishery and the proactive lwi and industry action taken on New Zealand's West Coast,
- Te Ohu Kaimoana Chairman Jamie Tuuta's attendance at the Biodiversity Beyond National Jurisdiction conference in New York,
- the launch of the Global Fisheries Scholarship,
- the announcement and launch of our client satisfaction survey,
- the Trans-Tasman Resources Limited decision at the High Court,
- the release of Te Ohu Kaimoana's Annual Plan for 2018/19 financial year, and
- the passing of Sealord crew member Patahi Kāwana at sea.

Te Ohu Kaimoana's pānui have had an average open rate of 50%, with an 12% click through rate (meaning 12% of those who have read the pānui, have gone on to look for further detail). The median average across all industries for e-newsletter (electronic pānui) marketing is a 25% open rate and a 4% click through rate. So Te Ohu Kaimoana's pānui serve as a highly effective tool for communicating our messaging.

Te Ohu Kaimoana's Third Quarter Report was sent to 295 representatives from MIOs, RIOs and AHCs in August. 45% of the recipients opened the email containing the report with 30% of those clicking through to read it. Our quarterly reports are being designed in-house, and will look to encompass more content, case studies/stories and improvements on its visual appeal and layout so that it is more engaging for MIOs, RIOs and AHCs.

Build and maintain effective relationships with lwi and other stakeholders;

Te Ohu Kaimoana's inaugural and annual client satisfaction survey was completed in September. The survey has been commissioned with the purpose of measuring Te Ohu Kaimoana's performance against the expectations of Mandated Iwi Organisations, Asset Holding Companies, Recognised Iwi Organisations and against the values and expectations of Te Ohu Kaimoana. The survey was conducted by UMR Research and sent to a total of 165 recipients, with 55 (33%) of those completing the survey. The full results of the survey will be sent to Iwi with Te Ohu Kaimoana's annual report in December 2018.

High level summary of survey results:

- The current satisfaction rate with Te Ohu Kaimoana's performance is 62%.
- Knowledge about Te Ohu Kaimoana and our role is high and a majority of those surveyed felt our current role (78%) and future (75%) role was important.
- Better communication and integrating/respecting Māori values and people were the two main areas respondents mentioned when asked where Te Ohu Kaimoana could improve on.
- A clear majority believe Te Ohu Kaimoana represents a collective lwi when responding to the government and protects the interests of lwi.
- Respondents were also less likely to agree that their input was valued and were less satisfied with the amount of te reo Māori used. This suggests that Te Ohu Kaimoana needs to listen more carefully to client specific needs and opinions, more proactively integrate and respect Māori values and people, provide better support for smaller lwi and take actions on client input.

Our Tai Kōrero has begun work on a communications strategy for Te Ohu Kaimoana, which will review and encapsulate what Te Ohu Kaimoana can do to improve upon its communications to its audiences. The survey conducted and Iwi feedback will help direct this strategy.

Communications



Continued

Promote good relationships through industry and government

Our Tai Kōrero (Bede Dwyer) has joined the Commercial Fisheries Communications Forum, which is comprised of representatives from Sanford, Moana New Zealand, Sealord, Seafood NZ, NZ King Salmon Co Ltd, Deepwater Group and Aquaculture New Zealand. Membership of this group has so far proved to be very beneficial for Te Ohu Kaimoana for information, relationship building and collective, or at least consultative approaches on issues. He has also joined the Biosecurity Communication Network (an MPI initiative).

Bede travelled to Auckland in July to meet with Maru Samuels (Iwi Collective Partnership), Volker Kuntzsch (Sanford Chief Executive), George Clement (Deepwater Group), Raewyn Peart (Environmental Defence Society) and Michelle Cherrington and Nathan Reid from Moana New Zealand. This trip provided the opportunity to gain a wide understanding of the fishing industry in Aoteroa and how the industry interacts with the environment.

Kurae Wai Dianne Brown, Kurae Moana Kim Drummond, and Tai Kōrero Bede Dwyer attended a function held by Minister of Fisheries Hon Stuart Nash at Iron Duke in early September. The opportunity was afforded by Te Ohu Kaimoana's use of consultancy Iron Duke and gave Te Ohu Kaimoana a chance to discuss the October sustainability round with the Minister. The Minister also continues to attend Te Ohu Kaimoana's board meetings which affords the board and staff a good opportunity to discuss topical issues with the Minister directly.

Promote Te Ohu Kaimoana as a source of expert advice and information

Te Ohu Kaimoana had a busy quarter in the media. The Kermadec Ocean Sanctuary issue raised its head and Te Ohu Kaimoana Te Mātārae Dion Tuuta was approached by Radio NZ in both July and August and also for comment on the Minister's statements regarding 'cameras on boats'. Te Ohu Kaimoana issued a media release regarding Chairman Jamie Tuuta's attendance at the Biodiversity Beyond National Jurisdiction conference held at the United Nations in New York. The release was reported on by Radio Waatea and Scoop. Te Ohu Kaimoana was also approached by the National Business Review through the Commercial Fisheries Communications Forum for its response on plastics pollution to the Environment Select Committee. Te Ohu Kaimoana provided this response and the response will also support an article in the next edition of Seafood New Zealand's magazine.

After conferring with Sanford and the Deepwater Group, Te Ohu Kaimoana fronted the media regarding the proactive action that Iwi and industry are collectively and collaboratively taking for the hoki fishery. Dion featured on NewsHub, and also interviewed with NewsTalk ZB and Radio Waatea regarding the industry action. Te Ohu Kaimoana issued a press release from the angle of Māori involvement in the decision; this release was reported on by Māori Television, Radio Waatea and Scoop.

Dion also appeared on Te Karere regarding the 'reduced number' of stock in the tarakihi fishery, and the 20% cut in the TACC. One of key messages to Te Karere was that the 'dramatic drop' in stock numbers took place prior to the implementation of the QMS, and that the QMS in-fact had only served to steady the numbers of tarakihi available.

Te Ohu Kaimoana's social media channels have been redesigned and re-booted with more frequent and relevant communications. Since June, Te Ohu Kaimoana has reached over 98,000 people through its social media channels, gained 438 new followers and had nearly 9,000 engagements (comments, shares and likes) with its content. Te Ohu Kaimoana's engagement rate is 8.67% across Twitter, Facebook, LinkedIn and Instagram - the median average engagement rate across all industries for social media is 0.16%. The large reason for Te Ohu Kaimoana's success on social media was a campaign launched in September for Te Wiki o Te Reo Māori. The campaign promoted the correct pronunciation of commonly mis-pronounced ika in Aotearoa, as well as whakataukī relating to the moana.

Continued

Te Ohu Kaimoana's revised website was launched on 20 August 2018. Our Tai Kōrero, in conjunction with our external partner have been working on website fixes, editing existing content and uploading back ended documents onto the site. The work on Te Ohu Kaimoana's website will continue over the next few months and both Google Analytics and Google AdWords will be set-up to track the usage of the new website, and to draw more traffic.

Comply with reporting responsibilities outlined within the Maori Fisheries Act by publishing an annual plan and annual report within the appropriate timeframes

In early October, Te Ohu Kaimoana released its annual plan for the 2018/19 financial year to lwi, detailing our projected expenditure and the work programme those costs are attributed to. Te Ohu Kaimoana advised that we will be giving priority to advancing the remaining allocation process, and how fisheries policy work programme has been restructured. It was communicated to lwi that key variances to the 3-year plan are higher than assumed consultancy and legal costs and transition and overhead costs involved with the completion of fisheries and Takutai allocation activities. There was only one response to the fact our operational budget was going to be higher, and that response was supportive. 46% of the 318 recipients opened the email with the annual plan attached, with 21%, or 30 of those people going on to read the plan.

Work and planning has begun on Te Ohu Kaimoana's 2018 Annual Report. Te Ohu Kaimoana will be approaching numerous Māori businesses for a Request For Proposals (RFP) process, for the design and printing of this year's annual report, which will be extended to our current supplier, MSO Design.

Host a successful Hui-a-Tau and Maori Fisheries conference

We have held our first planning hui for the 2019 Māori Fisheries Conference. The conference, workshop and Hui-a-Tau have been booked across the 26th, 27th and 28th of March 2019 at the Novotel in Auckland. Potential speakers and sponsors will be approached over the course of November and December 2018.

Part of this year's planning process has involved reviewing the previous two conference survey results, and implementing requests and suggestions from Iwi to improve attendees experiences and their return on investment.

Novotel Auckland Airport, venue for the March 2019 Māori Fisheries Conference





