

Annual Plan & Budget  
**2019/20**



# KA ORA KI TAI KA HUA KI UTA

A bountiful ocean will sustain us

## Summary

The 2019/20 Annual Plan Iwi provides an overview of Te Ohu Kaimoana's work covering the period 1 October 2019 to 30 September 2020.

## Published by

Te Ohu Kaimoana  
30 October 2019

Te Ohu  
**Kaimoana**





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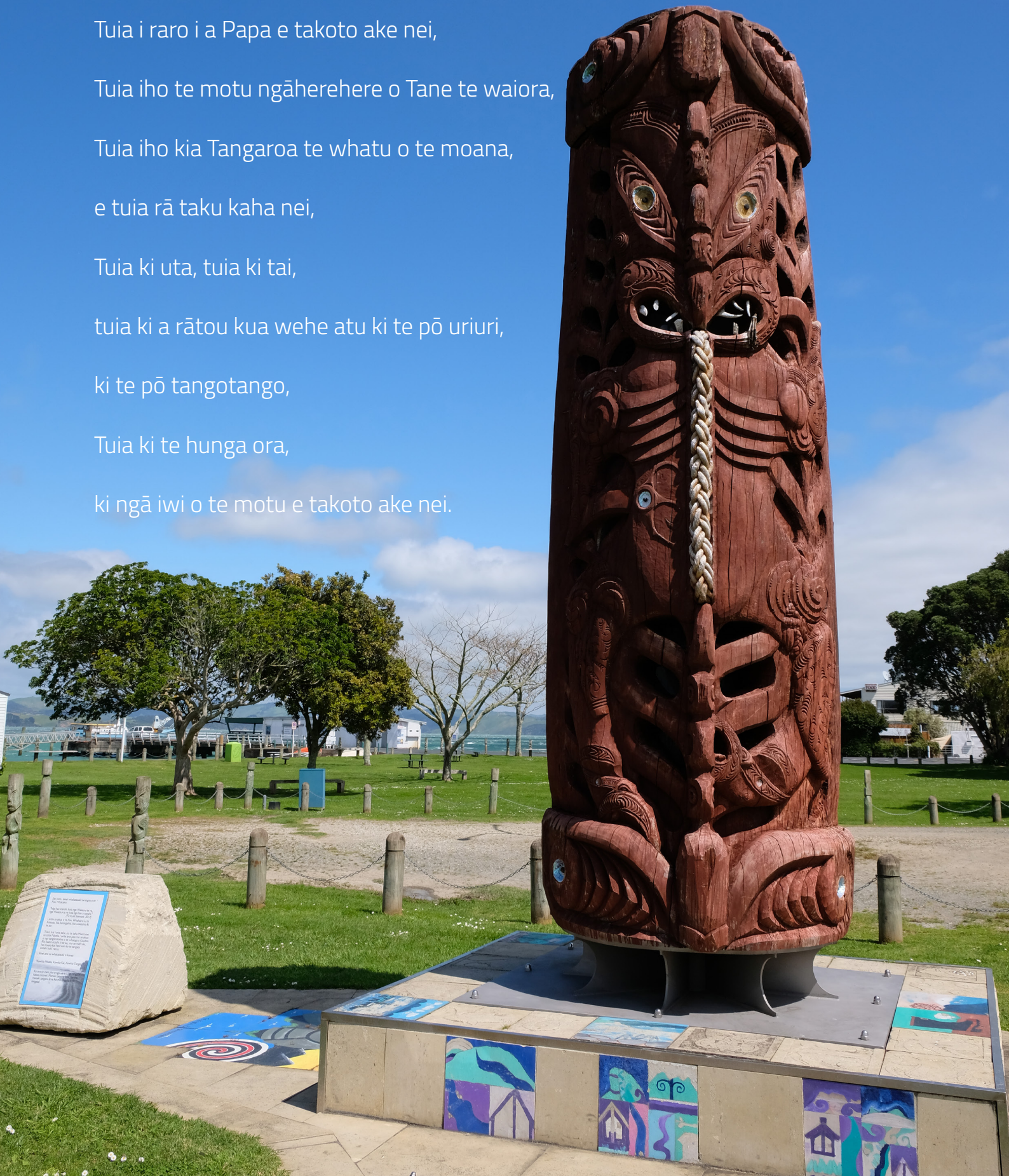
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# Karakia

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Tuia i runga i a Ranginui e tū nei,  
Tuia i raro i a Papa e takoto ake nei,  
Tuia iho te motu ngāherehere o Tane te waiora,  
Tuia iho kia Tangaroa te whatu o te moana,  
e tuia rā taku kaha nei,  
Tuia ki uta, tuia ki tai,  
tuia ki a rātou kua wehe atu ki te pō uriuri,  
ki te pō tangotango,  
Tuia ki te hunga ora,  
ki ngā iwi o te motu e takoto ake nei.





# Introduction

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Tēnā koutou katoa,

This document sets out Te Ohu Kaimoana's annual plan and budget for the 2019-2020 financial year.

This plan represents the third year of Te Ohu Kaimoana's three-year strategy, Te Ara Taupuhpuhi, which is focused on four key strategic pou:

1. Maintaining and growing positive relationships;
2. Reorganising Te Ohu Kaimoana's capacity for the future;
3. Developing and responding to initiatives to protect and enhance Māori fisheries rights; and,
4. Complete statutory duties.

Our 2019/20 plan continues to further build and develop Te Ohu Kaimoana to realise its strategic aspiration to add value to Iwi Māori (and wider Aotearoa) interests in the marine environment through providing proactive kaupapa Māori-based policy across all Māori fisheries sectors through honest, respectful and consultative relationships.

Noho ora mai rā,



A stylized, handwritten signature in blue ink, appearing to read 'Dion Tuuta'.

**Dion Tuuta**

Te Mātārae - Chief Executive



# Te hā o Tangaroa kia ora ai tāua

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Te Ohu Kaimoana approaches its work through the lense of “Te hā o Tangaroa kia ora ai tāua – the breath of Tangaroa sustains us” which recognises that the core purpose of the 1992 Fisheries Settlement was the sustenance and advancement of Māori identity.

The Māori creation story tells of our descent from Ranginui and Papatūānuku and their children – including Tangaroa. Our descent from these tupuna creates a perpetual relationship of obligations and rights. Our obligation as uri is to look after and care for our tupuna.

The environment is the physical manifestation of Ranginui and Papatūānuku and their children – who provide everything we need to survive as humanity. Only by caring for our tupuna do we gain the right to benefit from the resources our ancestors provide.

If we abuse our relationship with our tupuna then the benefits they provide can be reduced, limited or ultimately destroyed.

If we abuse our relationship with our tupuna seriously enough we can do such damage that we ultimately destroy ourselves.

Kaitiakitanga is the function of ensuring that we maintain an appropriately balanced relationship with our environment so that we ourselves can survive.

The signing of Te Tiriti o Waitangi enshrined the rights derived from our whakapapa relationship to Ranginui and Papatūānuku – and more specifically in a fisheries context – Tangaroa.

Modern settlement quota therefore traces its whakapapa to the Deed of Settlement, which in turn traces its whakapapa to Te Tiriti o Waitangi which itself enshrined our rights derived from whakapapa to Rangi and Papa. Quota is now a modern representation of our whakapapa right to use fish for commercial purposes.

Similarly, the customary regulations are a modern representation of our ongoing Treaty right to use fish for our cultural practices and purposes.

TE HĀ O  
TANGAROA  
KIA ORA AI  
TĀUA



# Our changing climate

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One of the most topical and challenging issues facing humanity is climate change. While the fishing industry's carbon footprint does not class as particularly high compared to other industries, the effects of climate change on fisheries will be significant.

Fisheries managers are witnessing behavioral changes among different fish stocks as a result of different water temperatures and the timing of these changes.

Ocean warming and ocean acidification are occurring and further research is required to understand the best way to adapt to impending changes as well as understanding what this change could mean for our relationship with Tangaroa.

This year our policy team will dedicate time and resources into understanding how climate change is impacting the moana and fisheries assets.

Once we have more understanding, this work will help inform change that operators can implement to continue thriving in our changing environment.





# Strategic outlook

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Fisheries continue to face increasing challenges – both domestically and on the international stage. Changing societal views around the meaning of sustainability, conservation and preservation are placing pressure on political decision-makers who determine the laws and regulations guiding fisheries within Aotearoa. This will have inevitable consequences on Iwi commercial and customary fisheries if not engaged with sensibly.

The very right to access Tangaroa is being increasingly challenged through the proposed implementation of spatial restrictions such as those outlined in the 2019 Hectors and Māui Dolphin Threat Management Plan and the proposed South Eastern Marine Protected Area.

Calls for greater spatial management in fisheries are expected to become stronger with the impending development of a national Marine Protected Areas policy and the Crown's continuing desire to implement the Rangitāhua-Kermadec Ocean Sanctuary Bill.

These and other environmentally focused issues are likely to become ammunition for political parties as Aotearoa heads into the next general election cycle and Te Ohu Kaimoana expects fisheries and the environment to feature highly in future political discussions. We further expect political decision makers to promote populist policies which could be detrimental to Iwi interests as they seek a popular majority to govern for the next term.

Our ability to form, maintain and activate positive relationships across the political spectrum will be important in ensuring that the legacy of the settlement and the rights of Iwi are not drowned out in the upcoming electioneering processes.

Similarly, while Government remains a key stakeholder, working with the wider seafood industry to influence positive change must be an increasingly important focus.

The 2019 Seafood Conference recognised the key role that Iwi play in Aotearoa's fisheries management but this recognition must translate into a greater cognisance of the Māori world view in key decision-making by industry itself. This necessitates greater involvement in commercial forums by Iwi fisheries leadership and the ongoing development of our people to take their place as leaders within this significant sector.

While defending our right to maintain a living relationship with Tangaroa we cannot overlook our obligations as kaitiaki and must respond to the very real environmental challenges which confront Aotearoa's marine environment.

Strategies will be required to adapt to issues such as climate change and ocean acidification while also seeking solutions to the scourge of plastics pollution and land-based run off into the marine environment. Change within the marine environment is being experienced by those working on the ocean.

Reductions in Total Allowable Commercial Catches on key species such as hoki and tarakihi are presently confronting the industry. These are significant issues which require science-based responses to protect these and other key fisheries while managing the human impacts of necessary sustainability reductions in a sensitive way.

Developing solutions to reduce unwanted by-catch and limit marine mammal and protected species interactions can only serve to improve wider societal acceptance and support for modern fisheries. These issues are not Te Ohu Kaimoana's alone to solve, and we must consider developing new cross sectoral relationships to better understand and respond to these challenges.



# 2019/2020 Overview

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Te Ohu Kaimoana's 2019/20 work programme continues to be grouped to deliver outcomes in the key areas of Maori Fisheries Act Amendments Implementation, Fisheries Allocation, Fisheries Policy, Aquaculture, Governance and Management Services.

Te Ohu Kaimoana remains committed to proactively working with the Crown to advance the Iwi-directed changes to the Maori Fisheries Act 2004 but notes that the changes presently lack the support of NZ First as a key member of Government. Given this lack of support it is possible that the legislative changes will not progress until post the 2020-election.

Despite this challenge Te Ohu Kaimoana will work with all political parties to continue to advocate for the Iwi resolved amendments.

Te Ohu Kaimoana delivered its proposal to amend the Maori Commercial Aquaculture Claims Settlement Act 2004 to the Minister of Fisheries in June 2018. After considerable delays, both the Minister and his officials have now undertaken to progress our proposal to amend the Maori Commercial Aquaculture Claims Settlement Act 2004 and anticipate that a Bill will be introduced to the House by June 2020. Staff are working with MPI to arrange hui with affected iwi and will circulate all relevant information as it comes to hand.

Te Ohu Kaimoana will again continue to invest resource into completing the final allocation process as far as possible by working with Ngāti Tama and Te Whānau a Āpanui to achieve Mandated Iwi Organisation status. We will continue to provide mediation and, where required, legal avenues to complete the final allocation of fisheries assets.

Our 2019/20 fisheries policy work programme has again been focused on five broad headings of Management Settings, Fish Stock Management, Managing Effects of Fishing, Managing Effects of Proposals on Maori Fisheries and Customary Fishing. The details objects for each of these areas are further set out in pages 24 - 27 of this plan.

Te Ohu Kaimoana's policy team is increasingly recognised by Iwi, Government and industry as a key source of fisheries knowledge and expertise. As a result of the changes and investment within Te Ohu Kaimoana over the past 2 years Iwi now have access to the largest fisheries policy team outside of Government.

Building on feedback from our stakeholder surveys in 2019/20 Te Ohu Kaimoana will explore avenues to assist MIOs and AHC's to improve their own understanding and knowledge of New Zealand's fisheries management system to help build greater fisheries capacity within iwi.

Building upon the improved relationships established with government, Te Ohu Kaimoana will work towards completing Relationship Agreements with the Ministry for Primary Industries/Fisheries NZ and Department of Conservation. These agreements will seek to ensure that policy developments are Deed of Settlement compliant and advance the ability of Iwi to exercise their rangatiratanga over their fisheries.



# 2019/2020 Overview

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As mentioned in the strategic outlook, it is expected that Government and other political parties will look to reignite discussions on the Kermadec Ocean Sanctuary ahead of the 2020 general election. This will require Te Ohu Kaimoana to work constructively with the Crown while maintaining vigilance to protect the rights guaranteed under the settlement.

In March of this year we launched a new and improved version of IkaNet – Aotearoa's online customary fisheries management tool for authorised kaitiaki. Since then, we have been working with users to monitor and improve functionality, with our next focus being the increased awareness of the service and boosting uptake from Iwi.

Since August we have begun attending customary forum hui in order to understand and identify opportunities and/or issues that exist within the customary fishing, and the areas where Iwi feel Te Ohu Kaimoana could offer assistance.

Our staff are developing a report on their findings and plan to present this at the Te Ohu Kaimoana and Te Wai Māori Fisheries Workshop prior to the Māori Fisheries Conference on 24 March 2020. At this workshop we plan to work with Iwi on key priorities and pilot a work programme.



## SIGN UP

Authorised tangata kaitiaki  
and tangata tiaki can sign  
up by getting in touch:

☎ 04 931-9500

✉ [ika@teohu.maori.nz](mailto:ika@teohu.maori.nz)

🌐 [teohu.maori.nz/ikanet](https://teohu.maori.nz/ikanet)



# Key strategies and outcomes 2019/20 FY

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Our overarching work programme continues to be consistent with the key strategies and work streams identified in the three-year strategic plan.

## Maintaining and growing positive relationships with Iwi and key stakeholders

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### **Establish/Develop**

1. Identify and develop appropriate value-adding services for Mandated Iwi Organisations (MIOs)/Iwi Aquaculture Organisations (IAOs) and Asset Holding Companies (AHCs).

### **Maintain**

1. Ensure effective and efficient two-way communication channels for maintaining contact with MIOs, IAOs and AHCs;
2. Build strong relationships nationally with relevant Ministers and senior bureaucrats, councils, key industry figures and influence bodies;
3. Clarify the relationship between the roles of MIOs and the Iwi Chairs' Forum to establish a unified Māori political voice on fisheries, aquaculture and marine matters with the Crown as per the Deed of Settlement; and
4. Establish and operate a forum for Treaty partners to develop 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.



# Reorganise Te Ohu Kaimoana capacity for the future

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## **Establish/Develop**

1. 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; and
2. Develop the capability to exert influence nationally and internationally and ensure that New Zealand fisheries management practice supports the Deed of Settlement.

## **Maintain**

1. 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;
2. Build strong relationships nationally with relevant Ministers and senior bureaucrats, councils, key industry figures, and influence bodies;
3. Build strong relationships with Iwi fisheries experts, internationally respected experts, Non-Government Organisations (NGOs) and best practice industry bodies; and
4. 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.

# Develop and respond to initiatives to protect and enhance Māori fishing rights

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## **Establish/Develop**

1. 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 affect access for fishing or aquaculture to protect settlement interests; and
2. Continue reviewing and enhancing the commercial fisheries framework.

## **Maintain**

1. Continue MPI engagement on Future of Our Fisheries policy and introduction of the Integrated Electronic Monitoring and Reporting System (IEMRS);
2. Finalise an on-line reporting system so that MIOs can support kaitiaki to improve reporting for customary catch; and
3. Assist to set up regional pātaka systems where requested in accordance with consistent principles and standards.

## Complete statutory duties

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## **Maintain**

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

## Te Ohu Kaimoana Success Indicators

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### **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 has established an annual Iwi satisfaction survey which is included as part of the Annual Report.

### **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.

### **Performance and Maintenance of Value**

Te Ohu Kaimoana's services are delivered within the Board-mandated spending rule of a maximum of 4% of total investment portfolio returns (\$92m capital), which 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.



# FY19/20 Budget

## Income

In FY19/20 Te Ohu Kaimoana is expected to generate total income of \$5.2m from the following sources:

Income	FY17/18 Actual	FY18/19 Budget	FY19/20 Budget
Portfolio Income	4,868,298	3,477,908	3,426,645
ACE Income	556,223	518,000	497,751
MPI funding for the Takutai Trust	557,496	795,365	632,906
Moana New Zealand Ltd Dividend	1,931,640	1,760,000	-
Other income	1,351,192	834,693	606,105
<b>Total income</b>	<b>9,264,849</b>	<b>7,385,966</b>	<b>5,163,407</b>

## Expenses

Te Ohu Kaimoana (including Takutai) will have expenses of \$5.2m for the year in the following key areas:

Expenses	FY17/18 Actual	FY18/19 Budget	FY19/20 Budget
Staffing	1,843,227	1,939,852	1,981,843
Legal	260,682	602,349	440,500
Consultancy	949,397	835,652	709,100
Directors Fees	337,309	376,996	392,500
Te Kawai Taumata	-	21,900	-
Quota Related Fees	265,318	304,187	283,551
Infrastructure, overheads and other costs	936,406	1,310,199	1,355,913
<b>Total expenses</b>	<b>4,592,339</b>	<b>5,391,134</b>	<b>5,163,407</b>

# Capital Expenditure

Capital expenditure of \$50k has been allocated for FY19/20 year to cover planned replacement of computer and server equipment.

## Detailed budget breakdown

The following table provides greater detail regarding the key areas of income and expenditure for the FY19/20 year:

Income	FY19/20 \$	Breakdown
Portfolio income	3,426,645	-
ACE income	497,751	-
MPI funding for the Takutai Trust	632,906	-
Moana New Zealand Ltd Dividend	-	-
Other income	606,105	-
Māori Fisheries Conference	-	163,000
Subsidiary cost recoveries	-	410,105
MATC's	-	-
Other income	-	33,000
<b>Total income</b>	<b>5,163,407</b>	



Expenses	Total Cost	Sub-Total	Breakdown
Staffing costs	1,981,843		
Legal	440,500		
Allocation - Fisheries			60,000
Allocation - Takutai			33,240
Protect Takutai			43,260
Kermadec Ocean Sanctuary			100,000
Legal Counsel			144,000
<b>Litigation General</b>			
TTR			10,000
Fish stocks			50,000
Consultancy	709,100		
Management settings		59,400	
28N Rights			29,700
Deemed values			29,700
<b>Managing effects on fishing</b>		5,000	
RMA pollution			5,000
<b>Customary fishing</b>			
Support customary fishing		23,600	
<b>Allocation - Fisheries</b>		129,100	
<b>Allocation - Takutai</b>		169,800	
Marlborough			25,000
Review new space plan			20,000
Transitional advisory			84,100
<b>Protect - Takutai</b>		70,200	
Open ocean settlements			46,000
Amendments to MCACSA			24,200
<b>Investment</b>		107,500	
<b>Communications</b>		119,500	
Auditors			39,500
Political strategy			65,000
Customer satisfaction survey			15,000
<b>Relationships</b>		25,000	
Directors Fees	392,500		
Te Kawai Taumata	-		
Quota Related Fees and Levies	283,551		

Expenses	Total Cost	Sub-Total	Breakdown
Infrastructure, Overhead and other costs	1,355,913		
Infrastructure			403,655
Travel and accommodation			411,218
National and regional hui			229,300
Administration			99,240
Scholarships			-
Sponsorship/koha			16,500
<b>Litigation General</b>			
TTR			10,000
Reporting and communication			196,000
<b>Total Expenses</b>	<b>5,163,407</b>		

## Assumptions

Key assumptions used in constructing the budget are:

### Income

- Earnings from investments limited to 4% spending rule of income generated from an opening Capital base of \$92m. 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%, an average of the four quarters over for September 2020 year) 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 based on management assessment;
- Share transfer not expected to occur before the end of the year. Moana New Zealand Ltd dividend for year ending 30 September 2019 expected to be paid out to iwi;
- ACE Income is based on current holdings, although coastline agreements may require the allocation and transfer of assets during the year, which may have an impact on the overhead recoveries from the ACE rounds.
- Other income includes conference income (based on current year actuals), subsidiary cost recoveries and FOT administration fee.



## Expenses

- FY19/20 salaries and wages at \$1.98m (FY18/19 budget \$1.94m);
- Director fees increased due to inclusion of two independent directors to be appointed on Portfolio Management Services and Audit and Risk Committee;
- Te Kawai Taumata costs are not required in FY19/20 year as Ken Mair's replacement Alan Riwaka was appointed at the same time Jamie Tuuta and Hinerangi Raumati replacements were appointed. Ken Mair completes his term on 23 November 2019.
- Infrastructure, Overhead and Other Costs includes travel and accommodation, reporting and communication, koha, national and regional hui and administration;
- Consultancy assumption includes assistance with fisheries protection;
- Communications expense includes auditors, political strategy, and Iwi satisfaction survey;
- Legal expense assumption includes possible litigation on Kermadecs, TTR, Fish stocks including PAU 4, and other matters which may not occur;
- The Māori Fisheries Conference will provide a break-even result;
- Global Fisheries Scholarships is now being administered by Moana New Zealand. Westport Deep Sea Fishing School scholarships have been put on hold until further notice. Should Te Ohu's revenue increase, this programme will recommence.
- Reporting and communication includes strategy to address fisheries Māori rights issues reactively and pro-actively depending on the issues at hand.

## Balance sheet

Assets		Actual 30 Sept 2018 \$	Budget 30 Sept 2019 \$	Budget 30 Sept 2020 \$
Current Assets	Note			
Cash and cash equivalents		3,629,359	2,138,233	2,768,297
Investments in associates		107,160,000	106,579,104	107,160,000
Work in progress		-	-	-
Receivables & prepayments		1,319,766	100,000	50,000
<b>Total Current Assets</b>		<b>112,109,125</b>	<b>108,817,337</b>	<b>109,978,297</b>
Non-Current Assets				
Property, plant & equipment	3	473,563	752,529	696,085
Investment Portfolio	4	90,439,773	91,226,820	91,925,147
Quota		21,436,312	14,759,537	19,782,899

Expenses		Actual 30 Sept 2018 \$	Budget 30 Sept 2019 \$	Budget 30 Sept 2020 \$
Total Non-Current Assets		112,349,648	106,738,886	112,404,131
Total assets		224,458,773	215,556,223	222,382,428
Liabilities				
Current Liabilities				
Payables and accruals		625,029	100,000	100,000
Assets allocated but not yet distributed		-	-	-
Total Current Liabilities		625,029	100,000	100,000
Net Assets		223,833,744	215,456,223	222,282,428
Equity Trust Capital (Retained Earnings)				
Trust Capital (Retained Earnings)		82,939,219	82,299,331	81,969,331
Maintenance Reserve (CPI and .05% Growth each year)	4	4,128,978	5,976,616	8,026,479
AFL Income Shares and Redeemable Preference Shares		101,712,631	101,712,631	101,712,631
Total Trust Capital and Retained Earnings		188,780,828	189,988,578	191,708,441
Maori Fisheries Act 2004 Classified Reserves - Yet to be allocated				
Quota to be Allocated	2	21,252,340	14,785,695	19,598,899
AFL Shares Held in Trust for Iwi	2	5,445,346	4,866,473	5,445,346
Te Wai Māori Trust Settlement		2,000,000	1,000,000	-
AFL Dividend held in Trust for Iwi	2	753,554	702,240	867,622
Māori Authority Tax credits - non allocated iwi shares	2	570,964	524,820	595,435
Global Fisheries Scholarship Trust	1	1,117,016	1,039,130	997,725
Cash Top Up for Quota Shortfall for Iwi	2	493,630	484,795	462,825



Expenses		Actual 30 Sept 2018 \$	Budget 30 Sept 2019 \$	Budget 30 Sept 2020 \$
Cash to Iwi	2	606,351	564,492	606,135
Funds Held in Trust		2,813,714	1,500,000	2,000,000
		35,052,916	25,467,645	30,573,987
Equity		223,833,744	215,456,223	222,282,428

## Assumptions FY 2020

Global Fisheries Scholarship - spend equals interest earned	1
Includes holdings of non-allocated iwi shares - Te Whānau Apanui & Ngati Tama and coastline disputes	2
Replacement of computer equipment	3
CPI @ 1.825% + Growth @ 0.5% = 2.325% capital maintenance (Est 12 trailing quarterly portfolio value \$93m). Have not taken into account market volatility	4

## Cashflow

Te Ohu Kai Moana Trust Cashflow As At 30 September Each Year	Actual 30 Sept 2018 \$	Budget 30 Sept 2019 \$	Budget 30 Sept 2020 \$
Cashflow from Operating Activities			
Cash provided from:			
Receipts from sale of ACE	556,223	518,000	497,751
Refund of Maori Authority Tax Credits	417,058	308,000	-
Receipts from ACE Round disputes	567,165	500,000	500,000
Other	177,903	627,000	493,105
Total Cash provided from	1,718,349	1,953,000	1,490,856
Cash applied to:			
Payments to suppliers and employee	4,677,320	4,336,000	4,228,204

Te Ohu Kai Moana Trust Cashflow As At 30 September Each Year	Actual 30 Sept 2018 \$	Budget 30 Sept 2019 \$	Budget 30 Sept 2020 \$
Net cash (outflow) from Operating Activities	(2,958,971)	(2,383,000)	(2,737,348)
Cash flows from investing activities			
Cash provided from:			
Cash drawdown from Joint Investment Portfolio	1,800,000	2,000,000	3,426,645
AFL dividend for Te Ohu Kaimoana	1,931,640	1,760,000	-
AFL dividend received for Iwi shares held in trust	128,776	123,000	-
Insurance claim on earthquake	-	490,000	-
Cash applied to:			
Purchase of fixed assets	325,562	390,000	50,000
Net cashflow from investing activities	3,534,854	3,983,000	3,376,645
Cashflows from Financing and Trust Capital Activities			
Cash applied to:			
Distributions to associated trusts	1,005,054	1,033,000	1,000,000
Distributions to Iwi	2,663,475	749,000	500,000
Net cashflow from Financing Activities	(3,668,529)	(1,782,000)	(1,500,000)
Net Increase/(Decrease) in Cash and Cash equivalents	(3,092,646)	(182,000)	(860,703)
Opening cash	6,722,005	2,320,233	3,629,000
Cash and cash equivalents held at year end	3,629,359	2,138,233	2,768,297

# Work programme 2019/2020

## 1. FISHERIES: ALLOCATION

### 01

#### OBJECTIVE

ASSIST IWI GAIN/RETAIN  
MIO STATUS AND TRANSFER  
POPULATION-BASED ASSETS  
WHERE RELEVANT BY 30  
SEPTEMBER 2020

- Work with Ngāti Tama (Taranaki) and Te Whānau-ā-Āpanui to help them gain MIO status by 30 September 2020; and
- Assist Iwi to transition their MIO status to a Post Settlement Governance Entity (PSGE) where required.

### 02

#### OBJECTIVE

TO ALLOCATE AND TRANSFER  
REMAINING SETTLEMENT ASSETS

- Assist Iwi to resolve coastline claims on remaining settlement assets by 30 September 2020. The process will be supported by facilitation services and other consultants (survey); and
- Assist Iwi to reach allocation agreements on eel quota or determine allocation under s 148 of the Maori Fisheries Act 2004 by 30 September 2020.



# 03

## OBJECTIVE

FACILITATE AGREEMENTS USING  
STATUTORY PROCESSES UNDER  
THE ACT (S 181 AND 182) WHERE  
REQUIRED

- Potential Māori Land Court applications in three areas to resolve coastline allocation disputes – in the Manawatū, Te Tau Ihu/Canterbury, and Te Tairāwhiti.

# 04

## OBJECTIVE

MAKE ACE AVAILABLE TO IWI  
WHO HAVE NOT RECEIVED THEIR  
SETTLEMENT ASSETS

- Manage October 2019 and April 2020 ACE rounds; and
- Sell ACE on behalf of Iwi in dispute over coastline allocations and hold proceeds in dispute under s 152 of the Maori Fisheries Act 2004.

# 05

## OBJECTIVE

ALLOCATE AND TRANSFER FUNDS  
ON TRUST

- Continuously review funds held on trust and the status of disputes. Where possible facilitate agreements between parties and distribute funds.

# 06

## OBJECTIVE

MIO AND TE OHU KAIMOANA  
COMPLIANCE WITH THE  
REQUIREMENTS OF THE MAORI  
FISHERIES ACT 2004

- Ensure MIOs comply with the Maori Fisheries Act 2004 and any subsequent amendments or decisions of the Court with respect to the interpretation of the provisions of the Act.

## 2. FISHERIES: POLICY 2.1 MANAGEMENT SETTINGS

# 01

## OBJECTIVE

IMPROVE MANAGING AND  
REPORTING THE OVERALL CATCH

- Influence development of more efficient process for managing the overall catch and/or the commercial catch in key fisheries; and
- Continue engagement in electronic reporting and global position reporting, onboard cameras and associated policy.

# 02

## OBJECTIVE

DEVELOP EFFICIENT POLICY TOOLS  
FOR FISHERIES MANAGEMENT

- Continue developing and promoting a solution to legacy fisheries management issues: 28N rights, use of deemed values, shelving, cost recovery and landings/discards policies.
- Represent and provide input to the marine amateur fishers working group in order to ensure best available information is understood and developed with the assistance of Te Ohu Kaimoana.

## 2.2 FISH STOCK MANAGEMENT

# 03

### OBJECTIVE

PROTECT MĀORI SETTLEMENT INTERESTS THROUGH CONTINUOUS ENGAGEMENT IN FISH STOCK KŌRERO

- Provide an ongoing 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;
- Support Iwi to develop and implement fisheries plans to protect their settlement interests;
- Continue engagement in AGMs, working groups, industry meetings and other relevant meetings of different fish stocks for efficient fish stock management; and
- Continue ensuring that Māori interests are protected, and Iwi are well informed on matters affecting them in the commercial, customary and recreational sectors.

## 2.3 MANAGING EFFECTS OF FISHING

# 04

### OBJECTIVE

DEVELOP EFFICIENT MECHANISMS TO MANAGE EFFECTS OF FISHING ON PROTECTED SPECIES WHILE ENSURING MĀORI FISHING INTERESTS ARE PROTECTED

- Continue influencing the development of different management approaches to ensure the protection of sealions, Hector and Māui dolphins, seabirds and sharks while ensuring Māori fishing interests are not diminished.



# 05

## OBJECTIVE

ENSURE SUSTAINABILITY IN  
FISHERIES WHILE PROTECTING  
MĀORI FISHING INTERESTS

- Continue promoting improved approaches for ensuring sustainability in accordance with the purpose and principles of the Fisheries Act 1996. This includes increased focus on meeting environmental principles based on sound science and risk assessment.

## 2.4 MANAGING EFFECTS OF PROPOSALS ON MĀORI FISHERIES

# 06

## OBJECTIVE

PROTECT MĀORI FISHING RIGHTS  
FROM ACCESS THREATS

- Ensure settlement rights are respected and not reduced except through agreement with relevant settlement entities. This includes involvement in:
  1. The Resource Management Act and Fisheries Act interface to ensure that access to fishing is not unnecessarily restricted;
  2. Engagement in Trans-Tasman Resources appeal; and
  3. Government development of MPA policy.
- Ensure settlement rights are respected and not reduced except through agreement with relevant settlement entities and participate in all precedent setting initiatives that would reduce access for fishing or aquaculture. Current issues for this year include:
  1. Kermadec Ocean Sanctuary; and
  2. Marine Protected Areas proposals, including Campbell Island, South-East MPA and Seachange2.
  3. Threat Management Plans for protected species.

# 06

## OBJECTIVE

### PROTECT MĀORI FISHING RIGHTS FROM ACCESS THREATS

- Influence the Government position to ensure outcomes strengthen and support Māori fishing rights.
- Understand how climate change, ocean warming and acidification could impact the moana and Māori fisheries assets.

## 2.5 CUSTOMARY FISHING

# 07

## OBJECTIVE

### ENSURE EFFICIENT, BALANCED AND CURRENT MANAGEMENT OF CUSTOMARY FISHING RIGHTS

- Continue engaging in discussions around s186 of the Fisheries Act and mātaihai establishments, including Cape Runaway mātaihai application, to ensure efficient management of customary interests and that customary interests are upheld and developed with Iwi; and
- Continue ongoing delivery of the IkaNet – online reporting system for customary permitting management so that MIOs can support kaitiaki to improve management of their fisheries. This includes development workshops and supported training around the updated system.
- Initiate a review of the customary fisheries regulations, identify opportunities and receive direction from MIOs on how Te Ohu Kaimoana can best support in this space.

### 3. AQUACULTURE

#### 3.1 REGIONAL SETTLEMENTS AND ALLOCATION

## NOR

##### NORTHLAND OBJECTIVES:

- PROTECT MĀORI FISHING RIGHTS FROM ACCESS THREATS
- GAIN AGREEMENT BETWEEN NORTHLAND IAOS ON THE ALLOCATION OF REGIONAL AQUACULTURE SETTLEMENT ASSETS

- Facilitate discussion between IAOs and the Crown on the extent and form of further settlement assets derived from the Crown's settlement obligations as a result of coastal permit applications for new species in the Northland region;
- Facilitate discussions between IAOs on the allocation of pre-commencement and new space assets by September 2020<sup>1</sup>

## AKL

##### AUCKLAND OBJECTIVES:

- GAIN AGREEMENT BETWEEN REGIONAL IAOS AND THE CROWN ON WHEN AND HOW TO SATISFY FURTHER NEW SPACE SETTLEMENT OBLIGATIONS IN THE AUCKLAND REGION (AT NEXT RECONCILIATION OR BEFORE)
- GAIN AGREEMENT BETWEEN AUCKLAND IAOS ON THE ALLOCATION OF ANY ADDITIONAL REGIONAL AQUACULTURE SETTLEMENT ASSETS

- Facilitate discussions between Crown and Auckland IAOs on how and when to satisfy additional Crown obligations arising from substantially greater development on the Western Firth than was anticipated to occur between 2015 and 2020 in the Auckland New Space Regional Agreement.
- Facilitate discussions between the IAOs on the allocation of the additional assets by September 2020.



# WAI

## WAIKATO (EAST) OBJECTIVE:

- PROGRESS THE DELIVERY OF ACTIONS AND TRANSFER OF ASSETS UNDER THE WAIKATO EAST REGIONAL AGREEMENT BETWEEN IAOS AND THE CROWN FOR NEW SPACE SETTLEMENT OBLIGATIONS IN THE WAIKATO (EAST) REGION

# WAI

## WAIKATO (WEST) OBJECTIVES:

- GAIN AGREEMENT BETWEEN IAOS AND THE CROWN ON SATISFYING NEW SPACE SETTLEMENT OBLIGATIONS IN THE WAIKATO (WEST) REGION
- GAIN AGREEMENT BETWEEN WAIKATO WEST IAOS ON THE ALLOCATION OF REGIONAL AQUACULTURE SETTLEMENT ASSETS

- Assist the Crown and Pare Hauraki Iwi to ensure transfer of settlement assets in accordance with the Regional Agreement and understandings – this will involve either utilising the Minister’s powers under s 360A of the Resource Management Act 1991 or varying the Regional Agreement.

- Facilitate discussions between IAOs and the Crown on the extent and form of new space settlement assets derived from the Crown’s settlement obligations in the Waikato (West) region and progress toward a regional agreement between the IAOs, Crown and Te Ohu Kaimoana by February 2020.
- Facilitate discussions between the IAOs on the allocation of the new space assets by September 2020.

# BOP

## BAY OF PLENTY OBJECTIVES:

- GAIN AGREEMENT BETWEEN BAY OF PLENTY IWI AND THE CROWN ON SATISFYING NEW SPACE SETTLEMENT OBLIGATIONS IN THE BAY OF PLENTY REGION
- GAIN AGREEMENT BETWEEN BAY OF PLENTY IAOS (AND TE RŪNANGA O TE WHĀNAU) ON THE ALLOCATION OF REGIONAL AQUACULTURE SETTLEMENT ASSETS

- Facilitate agreement on allocation of Bay of Plenty pre-commencement space and new space assets by working with IAOs and have them agree to a model for allocation of assets, with that agreement recorded in a Memorandum of Understanding signed by Bay of Plenty Iwi by September March 2020<sup>2</sup>;
- Facilitate discussions between Bay of Plenty Iwi and the Crown on the extent and form of new space settlement assets derived from the Crown's settlement obligations in the Bay of Plenty region and progress toward a regional agreement between Bay of Plenty Iwi, the Crown and Te Ohu Kaimoana by September 2020.

# WLG

## WELLINGTON OBJECTIVE:

- GAIN AGREEMENT BETWEEN IAOS ON THE ALLOCATION OF SETTLEMENT ASSETS IN THE WELLINGTON REGION
- Facilitate discussions between Wellington region IAOs on the allocation of aquaculture settlement assets by September 2020.

# TAS

## TASMAN OBJECTIVE:

- FACILITATE THE ALLOCATION OF SETTLEMENT AUTHORISATIONS TO JOINTLY OWNED IWI COMPANIES IN THE TASMAN REGION

- Assist IAOs, through Maara Moana Limited, to rectify line layout issues identified in March 2019. These layout issues must be resolved before applicants in AMA1 can apply for resource consents to begin farming.

# MAR

## MARLBOROUGH OBJECTIVES:

- FACILITATE IAOS PARTICIPATION IN ANY PROCESSES TO CONSIDER THE PROPOSAL TO RELOCATE CERTAIN NZKS SALMON FARMS PURSUANT TO S 360A OF THE RESOURCE MANAGEMENT ACT 1991
- GAIN AGREEMENT BETWEEN IAOS AND THE CROWN ON SATISFYING FURTHER NEW SPACE SETTLEMENT OBLIGATIONS IN THE MARLBOROUGH REGION

- Assist IAOs to examine the salmon relocation proposal and participate in any consultation processes.
- Assist IAOs and the Crown to agree the form of additional settlement assets created if the relocation of certain NZKS salmon farms is approved.
- Assist IAOs and the Crown to agree the form of additional settlement assets created as a result of open ocean salmon farms in the Marlborough region.
- Assist IAOs to agree a method of allocation for any additional assets by September 2020.



# SOU

## SOUTHLAND OBJECTIVE:

- GAIN AGREEMENT BETWEEN TE RŪNANGA O NGĀI TAHU AND THE CROWN ON SATISFYING NEW SPACE SETTLEMENT OBLIGATIONS IN THE SOUTHLAND REGION

- Facilitate discussions between Te Rūnanga o Ngāi Tahu and the Crown to ensure they, along with Te Ohu Kaimoana, enter a new space regional agreement by May 2020.

# NEW

## NEW SPACE PLAN OBJECTIVES:

- ASSIST IAOS AND THE CROWN TO AGREE THE VALUE AND FORM OF ADDITIONAL NEW SPACE SETTLEMENT ASSETS WHERE APPLICABLE
- FINALISE THE FIRST STATUTORY REVIEW OF THE MINISTER'S NEW SPACE PLAN

- Where new forms of aquaculture become commercialised (e.g. finfish in the North Island), agreeing with the Crown on an appropriate monitoring regime to determine the parameters needed to allow forecasting and valuation of space.
- Participate in the statutory review of the Minister's New Space Plan for Aquaculture, including facilitating discussions between IAOs and Iwi where the actual space consented in a 5-year period exceeds that which was forecast in the national forecast models, and confirmed through regional settlements. Te Ohu Kaimoana will assist iwi in affected regions to agree on both the amount and the form of any further settlement assets from the Crown.
- Develop with the Crown a reforecast of expected new space for all species in each region to 2035 by March 2020.

# TRA

TRANSITION

- Assist Iwi to transition their IAO status to a Post Settlement Governance Entity where required.

# MAS

MEET ALL STATUTORY REQUIREMENTS:

- Develop, monitor and update the Iwi Aquaculture Register.
- Maintain and update the Takutai website.
- Comply with all reporting requirements.

# MPI

MAINTAIN ONGOING RELATIONSHIP  
WITH MPI OFFICIALS.

- Regularly monitor any new approvals for pre-commencement space in all regions.
- Value and transfer to Te Ohu Kaimoana any further pre-commencement space obligations, and work with relevant IAOs on their allocation

<sup>1</sup> & <sup>2</sup> Northland and Bay of Plenty – coupled with this are the necessary legislative amendments to the Maori Commercial Aquaculture Claims Settlement Act 2004 to empower Te Ohu Kaimoana to allocate assets to Iwi Aquaculture Organisations (IAOs) where not all IAOs in the region are able or willing to sign an allocation agreement (our amendment proposal was modelled off provisions within the Maori Fisheries Act 2004).

## 3.2 AQUACULTURE: POLICY

# 01

### OBJECTIVE

- PROTECT THE INTERESTS OF IWI IN AQUACULTURE BY COLLABORATING WITH IWI, THE AQUACULTURE INDUSTRY AND GOVERNMENT TO IDENTIFY AND ADDRESS ANY THREATS TO AQUACULTURE

- Participate as a director and support an Iwi director on Aquaculture New Zealand.
- Participate as a member of the Te Oneroa a Tohe Spat Working Group.
- Respond on behalf of Iwi to any proposals to introduce coastal occupation charges.
- Support an Iwi aquaculture “think-tank” to address key policy and operational issues in aquaculture for Iwi.

# 02

### OPEN OCEAN AQUACULTURE OBJECTIVES:

- CONTRIBUTE TO THE DESIGN OF A SENSIBLE POLICY FRAMEWORK TO GUIDE OPEN OCEAN AQUACULTURE DEVELOPMENTS
- WORK WITH MPI AND IWI TO DEVELOP A SENSIBLE SETTLEMENT FRAMEWORK TO ACCOUNT FOR OPEN OCEAN AQUACULTURE DEVELOPMENTS

- Participate as a member of the working group convened to design a policy framework to guide open ocean aquaculture developments.
- Facilitate discussions between the Crown and Iwi on the extent and form of settlement framework that should apply to any open ocean aquaculture development.
- Develop with the Crown a reforecast of expected new space for all species in each region to 2035 by March 2020.

# 03

## OBJECTIVE

- WORK WITH MPI OFFICIALS TO ENSURE A BILL IS INTRODUCED TO PARLIAMENT TO AMEND THE MAORI COMMERCIAL AQUACULTURE CLAIMS SETTLEMENT ACT 2004

- Promote amendments to the Settlement Act to provide for an additional mechanism to assist iwi to reach agreement on the allocation, and transfer, of aquaculture settlement assets. This will involve technical engagement with Crown officials, and further consultation with IAOs.

## 4. MAORI FISHERIES ACT 2004 REVIEW IMPLEMENTATION

# 01

## OBJECTIVE

- ENSURE LEGISLATIVE CHANGES ENDORSED BY IWI ARE REFLECTED IN FINAL CHANGES TO THE MAORI FISHERIES ACT 2004 DURING BEFORE INTRODUCTION TO THE HOUSE

- Engage with government officials to ensure amendments reflect Iwi resolutions;
- Engagement will be supported by legal and other appropriate expertise as required;
- Provide advice and information to the Select Committee who will consider the amendment Bill; and
- On-going engagement with Iwi will occur where required.



# 02

## OBJECTIVE

- ENSURE RELATED STATUTORY DOCUMENTS ARE CONSISTENT WITH IWI REQUIREMENTS AND LEGISLATIVE AMENDMENTS DURING 2019-20

- Draft amendments to the constitutions and trust deeds of each entity as required; and
- Support each entity to draft amendments to corporate governance codes as required.

# 03

## OBJECTIVE

- ENSURE THE ORDINARY SHARES IN AFL ARE TRANSFERRED TO IWI CONSISTENT WITH THE AMENDED MAORI FISHERIES ACT 2004

- Value the AFL shares prior to distribution; and
- Unwind the RPS and Charisma once the amended legislation is passed.

## 5. GOVERNANCE AND MANAGEMENT SERVICES

### 01

#### OBJECTIVE

##### ■ GOVERNANCE OF SETTLEMENT ENTITIES

- Meet ongoing annual statutory obligations under the Act in relation to Moana New Zealand, Te Wai Māori and Te Pūtea Whakatupu.

### 02

#### OBJECTIVE

##### ■ RELATIONSHIP BUILDING AND REPORTING

- Provide regular quarterly updates to Iwi and other stakeholders on the work of Te Ohu Kaimoana and subsidiaries;
- Build and maintain effective relationships with Iwi and other stakeholders;
- Promote good relationships through industry and government;
- Promote Te Ohu Kaimoana as a source of expert advice and information;
- Comply with reporting responsibilities outlined within the Maori Fisheries Act 2004 by publishing an annual plan and annual report within the appropriate timeframes; and
- Host a successful Hui-a-Tau and Māori Fisheries Conference.
- Support internal culture and capability
- Grow the awareness and influence of Te Ohu Kaimoana

# 03

## OBJECTIVE

### ■ INVESTMENT AND PORTFOLIO MANAGEMENT

- Minimum target return for the portfolio is 4.5% plus CPI after all management fees but not including advisor fees;
- Annual drawdowns for operational expenditure are targeted to be no more than average of 4% of the previous 3 years of the total portfolio investment fund attributable to Te Ohu Kaimoana;
- Continue to transition the diversified portfolio agreed under the Statement of Investment Objectives and Policies (SIPO); and
- Manage available cash-flows to meet the needs of the organisation.

# 04

## OBJECTIVE

### ■ CORPORATE RESOURCES AND INFRASTRUCTURE

- Provide the tools, resources and environment to enable the organisation to meet the goals and objectives that have been agreed;
- Digitisation of Te Ohu Kaimoana's key documents;
- Establish processes to cover the succession planning of at-risk roles and skill sets; and
- Continue to review key policies and procedures to ensure Te Ohu Kaimoana operates effectively and efficiently.



Te Ohu  
**Kaimoana**

