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CommitteePolicy, Finance and Strategy CommitteeAuthorStephen Karaitiana Policy Advisor

Aquaculture Update

1. Purpose

To seek the Committee's endorsement of Greater Wellington's next steps in preparing for proposed aquaculture legislation.

2. Background

There is currently a moratorium on the granting of coastal permits for aquaculture developments. The moratorium was to have finished at the end of March 2004, but has now been extended until 31 December 2004. During this period, regional councils cannot consider any new applications for marine farms or spat catching activities.

The aquaculture moratorium is the first of the legislative reforms that the Government has agreed on to provide for sustainable aquaculture development. It will be followed by new aquaculture legislation that has been delayed because of the uncertainty surrounding ownership of the foreshore and seabed. We are expecting the new aquaculture bill to be introduced by the end of May, and understand that the reforms are likely to include¹:

- Streamlining the application process for new marine farms by providing a single-permit process. This will require changes to both the Resource Management Act 1991 and the Fisheries Act 1983 so that regional councils can consider all environmental effects, including the use and sustainability of fisheries resources.
- Providing regional councils with greater powers to manage and control the development of aquaculture by requiring marine farming to take place within clearly defined aquaculture management areas (AMAs). These areas will be included in councils' regional coastal plans.
- Allowing regional councils to call for tenders for the right to apply for coastal permits, including those for individual marine farm sites within each AMA.

¹ A local government/central government working party has been established to look at the proposed aquaculture regime and to work through some of the issues that the councils consider to be unworkable in their current form.

Regional councils would retain 50% of the tender money for use in the coastal marine area.

- Retaining the existing requirement that aquaculture should not have an undue adverse effect on customary, recreational and commercial fishing. This requirement will be removed from the Fisheries Act 1983. Instead the Ministry of Fisheries will have to participate in the coastal permit application process by providing regional councils with an assessment of any undue effects that aquaculture development may have on fishing. The legislation will also provide for a trade-off between aquaculture interests and commercial fishing rights holders in circumstances where aquaculture development would have an undue adverse effect on commercial fishing rights.
- A range of transitional provisions to ensure existing marine farm approvals are transferred to the new regime.

3. Aquaculture in the Greater Wellington Region

There has been little demand for aquaculture in the Greater Wellington Region. Before 28 November 2001, the Council received three applications for aquaculture, all of which were granted. One of the consents is for a marine farm in Mahanga Bay in Wellington Harbour, and covers an area of 2.9 hectares. The other two consents are in the Wairarapa, one for an area of 0.16 hectares and the other for 4 hectares.

At its August 2003 meeting, the Policy, Finance and Strategy Committee approved the public release of *Aquaculture in the Greater Wellington Region: A discussion document.* The discussion document provided some information about the aquaculture moratorium and the proposed new legislation. However, the main purpose of the document was to identify whether or not there is any demand for aquaculture within the Greater Wellington Region, and encourage discussion about where aquaculture should and should not be located.

Submissions on the discussion document closed in November 2003. We received 11 submissions. Key points raised in the submissions are summarised in Attachment One to this report. As stated above, one of the key purposes of the discussion document was to enable people to identify where aquaculture management areas should be located. Only one submitter proposed locations for the development of aquaculture management areas, although no specific details about the placement and size were given.

5. Next steps

The submissions on our discussion document and our ongoing discussions with the Ministry of Fisheries, the Ministry for the Environment and the Department of Conservation indicate that Greater Wellington is not a high priority area for aquaculture development when compared with many other parts of the country.

The Department of Conservation, in conjunction with the Ministry of Fisheries, are in the process of developing a guideline which will outline information requirements for AMA development. The Minister of Conservation gives the

final approval to regional coastal plans, and the guideline will provide Councils with an indication of the Minister's expectations.

The likely requirements of the proposed legislation will make it very costly for Greater Wellington to identify aquaculture management areas. Because of the lack of demand, it is unlikely that we could recover the costs through a tendering process. People can apply for private plan changes to develop aquaculture management areas. This means that the applicant would pay the costs of information gathering and research.

Because of the uncertainty surrounding the aquaculture legislation, the lack of interest in aquaculture developments in the Region and the potential cost of developing aquaculture management areas, a cautious approach to developing aquaculture management areas in the Region is suggested. However, to provide certainty for the existing consent holders, it is recommended that the following steps be carried out now:

- Map the locations of existing aquaculture consents for consideration as aquaculture management areas in our Regional Coastal Plan. Prepare a draft change to the Regional Coastal Plan for consideration by the Council when the new legislation is finalised.
- Continue to identify and map any constraints to aquaculture management areas in the Region. This will assist the Council when considering possible aquaculture management areas in the future and will also assist people who may wish to apply for a private plan change to establish an aquaculture management area.
- Keep submitters and interested people informed about the steps we are taking.

Taking these steps does not prevent the development of aquaculture management areas in the future. When the aquaculture legislation is finalised, and more information has been provided by the Ministry of Fisheries and Department of Conservation, the Council can reassess whether a more proactive approach should be taken.

6. Communication

The ongoing steps suggested in this report are the result of public feedback on our discussion document and discussions with staff from the Ministry of Fisheries, the Ministry for the Environment and the Department of Conservation. Once the new aquaculture legislation is finalised, staff will seek approval from the Committee to consult publicly on draft changes to the Regional Coastal Plan. Following this round of public consultation, there will be a further opportunity for public input after the Committee approves the plan change for public notification, which begins the formal plan change process of public submissions, hearings and Council decisions.

7. Recommendation

That the Committee recommends that Council endorses the approach to aquaculture outlined in this report.

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Attachment 1: Summary of submitter's comments on Aquaculture in the Greater Wellington Region: A discussion document