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Submission: Do not support the Resource Management (Extended Duration of Coastal Permits for Marine Farms) Amendment Bill in its current form

Recommendations

- 1. The Bill does not proceed in its current form as it fails to take into account the social, environmental and cultural impacts of extending existing resource consents for 20 years.
- 2. If the Bill proceeds, any consent granted must include an environmental impact report.
- 3. If the Bill proceeds, the renewed consent does not allow for a change from shellfish to finfish farming.
- 4. The government takes a more reasoned and strategic view of sustainable aquaculture development.
- 5. Officials research into how the Japanese government has worked with aquaculture interests to clean up the aftermath of large-scale, intensive inshore marine farming, shifting the focus onto smarter technology and on-land aquaculture operations producing high value returns.

The Submitters

6. The submitters appreciate the opportunity to provide feedback on the Resource Management (Extended Duration of Coastal Permits for Marine Farms) Amendment Bill. The Bill was first read in the House and sent to the Environment Select Committee for consideration on 30 May. Public submissions are due by 16 June and a report is due from the Committee to the House by 18 July 2024.

- 7. The NZ Sport Fishing Council (NZSFC) is a recognised national sports organisation of 50 affiliated clubs with over 36,700 members nationwide. The Council has initiated LegaSea to generate widespread awareness and support for the need to restore abundance in our inshore marine environment. Also, to broaden NZSFC involvement in marine management advocacy, research, education and alignment on behalf of our members and LegaSea supporters. legasea.co.nz..
- 8. The New Zealand Angling and Casting Association (NZACA) is the representative body for its 24 member clubs throughout the country. The Association promotes recreational fishing and the camaraderie of enjoying the activity with fellow fishers. The NZACA is committed to protecting fish stocks and representing its members' right to fish.
- 9. The New Zealand Underwater Association comprises three distinct user groups including Spearfishing NZ, affiliated scuba clubs throughout the country and Underwater Hockey NZ. Through our membership we are acutely aware that the depletion of inshore fish stocks has impacted on the marine environment and the wellbeing of many of our members.
- 10. Collectively we are 'the submitters'. The joint submitters are committed to ensuring that sustainability measures and environmental management controls are designed and implemented to achieve the Purpose and Principles of the Fisheries Act 1996, including "maintaining the potential of fisheries resources to meet the reasonably foreseeable needs of future generations..." [s8(2)(a) Fisheries Act 1996].
- 11. Our representatives are available to discuss this submission in more detail if required. We look forward to positive outcomes from this review and would like to be kept informed of future developments. Our contact is Helen Pastor, secretary@nzsportfishing.org.nz.

Background

- 12. In the coalition agreement between New Zealand First and the National Party, the coalition government agreed to deliver longer durations for marine farm permits and remove regulations that impede the productivity and potential of the seafood sector. To deliver on this agreement, the Minister for Oceans and Fisheries Shane Jones first considered extending all existing marine farm consents by 25 years. The Resource Management (Extended Duration of Coastal Permits for Marine Farms) Amendment Bill (the Bill) seeks to extend existing farm consents by 20 years, but not beyond 31 December 2050. The Bill includes a provision for regional councils (or consenting authority) to opt for a review of consent conditions, with any review costs attributed to that council or authority.
- 13. The current maximum duration for marine farm consents is 35 years, after which replacement consents need to be obtained. There are around 1200 existing marine farms in New Zealand that require one or more resource consents under the Resource Management Act (**RMA**) to operate. Around 300 of these marine farms have consents due to expire by the end of 2024, and a further 150 have consents due to expire by 2030.

- 14. The aquaculture industry has expressed concerns about the costs and time required to obtain replacement resource consents. They are concerned these issues are creating uncertainty and are acting as obstacles to investment in their operations and therefore stifling innovation.
- 15. Regional councils are responsible for giving effect to the RMA. The prime purpose of the consenting regime under the RMA is the sustainable management of natural and physical resources, including to ensure sustainable use and protection. Consents may include conditions to manage any adverse effects on the environment and people. The National Environmental Standards for Marine Aquaculture (NES-MA) have been found to be effective at streamlining reconsenting, but are relatively new, and some consent holders have yet to go through reconsenting under the RMA framework.
- 16. Officials anticipate the Bill will be effective by the end of 2024. Councils, resource consent applicants and consent authorities will be required to implement the changes. MPI will monitor the effect of the extension of marine consent durations through liaising with regional councils and industry stakeholders.

Submission

- 17. **The submitters oppose the Bill in its current form** as it fails to take into account the social, environmental and cultural impacts of extending existing resource consents for 20 years or out to 2050:
 - a. Some of the existing consents were granted with inadequate monitoring conditions attached;
 - b. There has been insufficient time to properly consult with affected communities, mana whenua and fishing interests. Limited consultation has occurred with aquaculture groups, eNGOs, councils, Treaty partners and iwi/hapū;
 - c. Treaty partners have said the proposal and the consultation that has occurred do not uphold the Crown's responsibilities as a Treaty partner. And, extending marine consents may not provide for settlement and limit exercise of kaitiakitanga in the resource management system.
- 18. Intensive inshore aquaculture can be a dirty business. Today's intensive aquaculture farmers are not paying the costs for tomorrow's clean up. Given local and overseas experience, that cost will fall to following generations of taxpayers even though the benefits of such development is limited to a few individuals or private entities. We note the concern expressed by officials in the Regulatory Impact Statement, dated 4 April 2024 –

"A range of monetary and non-monetary benefits are likely to accrue to consent holders as a result of extending consents, meanwhile extending consents is likely to have some costs to the environment and sustainable management of resources. **These benefits and costs cannot be quantified or validated** based on the current information and data, and **unintended consequences cannot be ruled out.** This, along with compressed timeframes, means **officials have not recommended an option.**" [emphasis added]

¹ Regulatory Impact Statement: Extending the duration of existing marine farm consents. Ministry for the Environment, Ministry for Primary Industries. 4 April 2024.

- 19. Extreme weather, predation, algal blooms and the spread of introduced organisms are almost impossible to predict or control. There must be a staged and measured approach to aquaculture development. Extending existing permits for another 20 years or out to 2050 does not meet this standard.
- 20. In 2009 the Aquaculture Technical Advisory Group (**TAG**) recommended cost recovery for council services such as processing resource consents and private plan changes. TAG also proposed to establish an Aquaculture Fund, administered by the Aquaculture Agency, and paid for by an annual levy on operators.
- 21. The threat of warming waters and farm failure due to climate change is real. This week the Bay of Plenty Times reported that the Tauranga based North Island Mussels Ltd is <u>closing its</u> <u>processing plant in Greerton</u> with the loss of 139 jobs. The company advises the factors contributing to the closure included "challenging weather patterns, significant crop mortalities and poor yielding crops in the North Island", resulting in declining volumes. **We recommend** a levy on operators or establishment of a bond process to cover the costs of remediation due to farm failure, as it is unreasonable to expect taxpayers to pay these costs incurred by private interests operating in a public space.
- 22. Low-density aquaculture in selected areas does have merit. However, caged finfish farming has been resisted by the community for years due to the adverse effects on the environment and the surrounding community.
- 23. Caged finfish farming will require high protein feed. Many of our potential baitfish species such as jack mackerel, anchovy and pilchards are under-utilised at present, that is the existing total allowable commercial catches (TACCs) are not constraining commercial effort, either by choice or lack of availability. The majority of the TACCs for these species have not been reviewed for more than 20 years including no scientific stock assessment. Therefore the state of these fisheries are unknown. **The submitters do not support** the expansion of high volume, low value commercial fisheries for small pelagic species.
- 24. **The submitters object** to the blanket extension of current consents as the Bill also fails to consider the adverse effects of climate change. Warming waters are already affecting existing farms in the Marlborough Sounds, with widespread mortalities and wastage in the summer months. The disposal of dead fish at the landfill has both infuriated and impacted on the wellbeing of the local community.
- 25. We note that Māori who were consulted in early 2024 were strongly opposed to the proposal to extend existing permits, with the exception of one iwi who are involved in aquaculture and supported the proposed extension. Reasons for opposition included the inability to review and adjust consent conditions, which could mean that the conditions cannot adapt to respond to a changing climate, nor monitor environmental impacts including depleting fish stocks. They were concerned that there is a lack of balance between commercial and other interests including environmental, cultural, and public interests.

- 26. Regional consenting authorities and eNGOs were opposed to the proposal. They were concerned that the proposal would override council and community-agreed plans to provide for aquaculture. Councils noted the NES-MA is working efficiently and effectively for replacement consenting. Both councils and eNGOs were concerned the proposal would lock in sub-standard and/or time-bound consent conditions, removing the ability to monitor environmental effects, ensure appropriate biosecurity conditions, or adapt to a changing climate.
- 27. We are concerned that the Bill provides for councils to review the conditions of a consent to extend the duration of an aquaculture farm, but cannot stop it proceeding. Under the RMA regional councils currently have jurisdiction over the Territorial Sea, yet it is the Director-General of MPI that has the final say over the terms of the review that can be undertaken by the council. Moreover, the costs incurred by the review cannot be recovered from the aquaculture operator, the costs fall on the council and ultimately the ratepayer. This is not acceptable.
- 28. The submitters strongly object to any automatic 20-year renewal of existing farming consents without the environmental impacts being assessed and adverse effects mitigated. The Bill assumes that existing marine farm operations have been carried out responsibly and are benign to the environment they inhabit. **We recommend** that any process to extend the consent for existing operations must include an environment impact report.

Alternative approach

- 29. If the Bill does proceed, **the submitters recommend** that there be no change to existing consent conditions, that is, the renewed consent does not allow for a change from shellfish to finfish farming. There must be adequate process to investigate, consider and consult on any change in use of the marine area, with an obligation to avoid or mitigate any adverse effects on the marine environment.
- 30. The submitters note the Japanese government has spent millions of dollars over the past two decades to clean up the aftermath of large-scale, intensive inshore marine farming. They have shifted their focus onto smarter technology and on-land aquaculture operations. This has been a cooperative effort between the government and commercial developers and is now proving to be both environmentally and economically sustainable.
- 31. **The submitters recommend** officials research into how the Japanese have developed their marine aquaculture operations to produce red seabream, yellowtail kingfish, flatfish, coho salmon, kuruma prawn, scallops, oysters, abalone, sea squirt, green turtles and seaweeds.
- 32. **The submitters recommend** the government takes a more reasoned and strategic view of sustainable aquaculture development, as opposed to a knee-jerk embrace of the illusion that extending aquaculture permits will reveal a landscape of unseen riches.