



Office of Hon Nathan Guy

MP for Otaki

Minister for Primary Industries

Minister for Racing

B14-433

Dear Stakeholder

Fisheries sustainability measures for 1 April 2015

This letter outlines my final decisions on the review of sustainability measures for selected stocks that are managed with an April fishing year. My decisions, regarding the total allowable catches (TACs), non-commercial allowances, total allowable commercial catches (TACCs), and deemed value rates for these stocks, will come into effect on 1 April 2015.

In reaching my decisions, I have considered submissions received from tangata whenua and stakeholders on the initial proposals, advice from the Ministry for Primary Industries (MPI) and the National Rock Lobster Management Group (NRLMG) (on rock lobster stocks) and my legislative obligations under the Fisheries Act 1996.

The best available scientific and management information has shown the need to reduce the TAC and TACC for the southern blue whiting stock at the Bounty Platform. This will ensure continued sustainability of the stock in response to observed reductions in available biomass. Updated information on the market value of giant spider crab has led me to reduce the deemed value rates for all stocks.

I have also decided to increase the TAC and TACC in the CRA 7 (Otago) rock lobster fishery, but have decided to retain the current TAC settings for the CRA 3 (Gisborne), CRA 5 (Canterbury/Marlborough) and CRA 9 (Westland/Taranaki) rock lobster fisheries. These decisions allow for the continued sustainable use of the fisheries.

The only change to non-commercial fisheries settings I am proposing is for rock lobster in CRA 1 (Northland) where customary, recreational and other sources of fishing-related mortality allowances are being set for the first time. This does not impact on the already established recreational bag or size limits operating in that area.

I would like to thank everyone who participated in the review of sustainability measures for April 2015.

More detailed rationale for each of my decisions is attached to this letter and within the Decision Documents, which can be found on the MPI website at:

<http://www.mpi.govt.nz/news-and-resources/consultations/fisheries-sustainability-measures-1-april-2015/>

Yours sincerely

A handwritten signature in blue ink that reads "Nathan Guy". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Hon Nathan Guy
Minister for Primary Industries

Southern blue whiting at Bounty Platform (SBW 6B)

The SBW 6B TAC will be reduced from 7,000 tonnes to 3,000 tonnes, in response to an observed decrease in stock biomass. My decision decreases the TACC to 2,940 tonnes, and the allowance for other sources of fishing-related mortality to 60 tonnes. Nil allowances will also be retained for non-commercial catch.

Based on the recent export value, this TACC decrease would result in an approximate \$3.4M reduction in export revenue.

All submissions received from stakeholders noted support for a decrease in the TAC to 3,000 tonnes. Commercial stakeholders recognise that although this decrease will result in fiscal loss it is necessary to reduce the current catch limit to ensure ongoing sustainability of the fishery.

TAC (t)	TACC (t)	Maori customary allowance (t)	Recreational Allowance (t)	Other sources of fishing-related mortality (t)
3,000	2,940	0	0	60

Rock lobster

My rock lobster decisions are guided by advice from the multi-stakeholder National Rock Lobster Management Group (NRLMG) who act as my primary advisor on rock lobster fisheries matters. I met with the NRLMG early in March to discuss their advice, including the submissions they received from interested parties. I am highly supportive of the work of the NRLMG and their ongoing efforts to rebuild and maintain each rock lobster stock above sustainability reference levels. The rock lobster management approach is sophisticated and is supported by robust and independently peer-reviewed science.

My decisions for each rock lobster stock are provided below.

CRA 1 (Northland) rock lobster fishery

CRA 1 is a stock for which there is only a TACC in place and no TAC or allowances have previously been set. I have agreed to set the TAC at 273.062 tonnes, set allowances for customary Māori of 20 tonnes, recreational of 50 tonnes and other sources of fishing-related mortality at 72 tonnes. The TACC will be retained at 131.062 tonnes.

I have also agreed to use a new management procedure (called '*Rule 9d*') to guide TAC setting in this fishery for the next five years. Management procedures are tools that have been used to guide the setting of rock lobster catch limits in New Zealand since 1997. They have been successfully used to rebuild and maintain rock lobster stocks at high abundance levels.

The 2014 stock assessment results for CRA 1 suggest there are no sustainability concerns for the fishery and the use of this procedure will help to ensure the stock is managed above the desired target level.

CRA 3 (Gisborne) rock lobster fishery

I have agreed to use a new management procedure (called 'Rule 4') to guide the setting of the CRA 3 TAC for the next five years. The new procedure replaces the previous procedure and results in a responsive and conservative management strategy for the fishery.

The use of the new procedure results in no changes to the TAC or TACC or allowances for CRA 3 for the 2015/16 fishing year. The 2014 stock assessment results suggest there are no sustainability concerns for the CRA 3 fishery at this time, however, abundance could decline in the next four years. It is unlikely that a TAC or TACC increase will be recommended over that period. The stock is expected to remain above the level that can produce the maximum sustainable yield and the use of the new management procedure will help to maintain the ongoing sustainability of the stock.

In relation to the concern regarding the CRA 3 size limit expressed by some recreational fishers, I have directed MPI to consider a review of the CRA 3 size limit in 2015. MPI will explore options with tangata whenua and stakeholders towards the middle of this year.

CRA 5 (Canterbury/Marlborough) rock lobster fishery

I have agreed to retain the current TAC, allowances and TACC for the CRA 5 fishery. While the management procedure for this fishery suggested a 4% decrease to the CRA 5 TACC for 1 April, in this instance I consider that there are good reasons not to follow the procedure. These reasons are:

- Making no change to the CRA 5 TAC for one year is unlikely to pose a sustainability risk because recent monitoring information suggests the stock is well above the target level.
- Other rock lobster management procedures have a 5% minimum change setting, which if applied to CRA 5 would have resulted in no changes being considered; and
- A new stock assessment and management procedure evaluations are scheduled for later in 2015.

I understand from my discussions with the NRLMG that wider allocation decisions will also need to be made for CRA 5, because research information suggests that recreational harvest levels have increased in the fishery while overall abundance has declined. I encourage tangata whenua and fishery stakeholders to commence discussions with the NRLMG this year on a review of management measures for the CRA 5 fishery.

CRA 7 (Otago) rock lobster fishery

I have agreed to increase the TAC for CRA 7 from 86 to 117.72 tonnes, and increase the TACC from 66 to 97.72 tonnes. No changes will be made to the non-commercial allowances.

The TACC increase is guided by the use of a management procedure that has been in place in the fishery since 2013. Its ongoing use is expected to maintain the stock above sustainability indicators. I understand that the current peak in abundance has arisen from strong levels of rock lobster settlement since 2009.

The TACC increase has the potential to generate approximately \$2.2 million in additional earnings.

CRA 9 (Westland/Taranaki) rock lobster fishery

I have decided to retain the current TAC, allowances and TACC for the CRA 9 fishery.

In 2014 I agreed to use a management procedure for the first time in the CRA 9 fishery. This resulted in a TACC increase from 47 to 60.8 tonnes from April 2014. Concerns are now being expressed by the NRLMG and rock lobster scientists that the use of the procedure may not be appropriate in this fishery given the small amount of commercial fisheries information available to support its operation (a small number of vessels fishing a small area). The 24% TACC decrease that was recommended by the procedure may reflect changes in fishing practices rather than a decline in available abundance.

Making no change to the CRA 9 TAC for one year is unlikely to pose a sustainability risk because the 2013 assessment suggested that the stock is well above the level that can produce the maximum sustainable yield. This is an appropriate course of action while a thorough review of CRA 9 fisheries information and the management procedure is undertaken to determine the appropriate management approach going forward.

Stock	TAC (t)	TACC (t)	Maori customary allowance (t)	Recreational Allowance (t)	Other sources of fishing-related mortality (t)
CRA 1	273.062	131.062	20	50	72
CRA 3	389.95	260.95	20	20	89
CRA 5	467	350	40	40	37
CRA 7	117.72	97.72	10	5	5
CRA 9	115.8	60.8	20	30	5

Giant spider crab deemed value rates

I have agreed to decrease the deemed value rates for all giant spider crab stocks, as shown in the table below.

Giant spider crab is taken as bycatch in offshore trawl fisheries that target species such as squid, scampi and silver warehou. The port price of giant spider crab (a proxy for market value) has recently decreased from \$3.60 per kg to \$0.20 per kg. This reflects the very low value that this species has when taken by freezer trawlers.

The previous deemed value rates were based on the expected value of product from a target crab fishery, which has not developed. This meant that the price of annual catch entitlement (ACE) for giant spider crab stocks was significantly overvalued compared to the value of the catch currently being taken. Reducing the deemed value rates will likely reduce the ACE price to align with the value of the fishery as well as encouraging fishers to accurately report bycatch. Accurate reporting is an important consideration because the commercial catch is the main source of abundance information for this species.

In making this decision I would also encourage vessel operators to continue exploring and implementing measures that help the fleet to avoid taking bycatch of giant spider crab. I am also mindful that if a target fishery for giant spider crab develops in the future, the deemed value rates will need to be revisited.

Interim deemed value	Annual deemed value	Differential annual deemed value				
		> 20%	> 40%	> 60%	> 80%	> 100%
\$0.09	0 – 20%					
	\$0.10	\$0.12	\$0.14	\$0.16	\$0.18	\$0.20