



NZ ROCK LOBSTER
INDUSTRY COUNCIL

2017/18 BUSINESS PLAN

THE FISHERY FIRST

*From abundance
all benefits flow*





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Our Role

The NZ Rock Lobster Industry Council Ltd (NZ RLIC) operates as the central service agency for the commercial lobster fishing industry. It is in our capacity to liaise with government, media, environmental groups and other marine stakeholders on behalf of our constituents and in their best interests.

Our Mission

The rock lobster industry has consistently supported and advocated for the New Zealand fisheries management regime (Quota Management System - QMS), one which has a rights-based framework (although so far incomplete) which allows resolution of competing interests, including changing societal values in relation to the marine environment and to non-commercial fisheries, to be resolved by way of market-based outcomes.

Working within the QMS framework the NZ RLIC will continue building and informing a united and sustainable industry operating to deliver responsible environmental performance to contribute to regional and national economies and therefore valued and respected by Government and by the wider New Zealand community.

Our Vision

To be a united, thriving and ecologically sustainable rock lobster industry valued and respected by Government and by the wider New Zealand community. To be an industry which delivers a premium quality seafood product to discerning domestic and international consumers. To be an industry well equipped to increasingly take a greater fisheries research and management role.

Placing the 2017 Business Plan in Context

With the formal appointment of Mark Edwards as the NZ Rock Lobster Industry Council Chief Executive Officer from October 2017, the NZ RLIC senior management team is expanded and the increased level of expertise available in-house enables a more consistent and energetic focus on key operational policy issues.

Commercial access and utilisation rights and opportunities are under constant challenge as recreational fishing industry activists and lobbyists continue to press for access and utilisation priority and preference. Their success to date is reflected in proposed Marine Protected Area legislation which establishes Recreational Fishing Reserves.

The expanded NZ RLIC senior management team has been fully engaged with a substantial and growing agenda of matters that impact on commercial access and use rights; and which threaten to impose additional cost and unnecessary restrictions and requirements on fishing businesses.

Our ability to raise and prosecute these matters is increasingly more effective as we have formalised collaborative arrangements with the other stakeholder representative organisations, the Paua Industry Council, Fisheries Inshore New Zealand and the Deepwater Group, and with Te Ohu Kaimoana. The Commercial Fisheries Forum has been established as a vehicle for this co-operation and to ensure a consistent and coherent position across the wider industry.

We have again made provision to commission high level external legal and policy advice in the 2017/18 operational budget for NZ RLIC, but our provision will be leveraged with the contributions from the other stakeholder representative organisations through an agreed cost sharing arrangement. This means our expenditure is more effective.

A seemingly growing number of challenges are evident. MPI is pressing on with their IEMRS electronic reporting, position and video surveillance initiatives, as well as policy proposals for the management and allocation of fisheries that threaten to erode commercial use rights and pull back from fundamental work needed to complete the ITQ system.



Considerable effort was made to influence the South East Marine Protected Areas Forum, but the Government is still proposing marine protected areas legislation to meet the demands of the environmental lobby. Government proposes to establish recreational fishing reserves to gratify advocacy from the recreational sector for even more displacement of commercial fishing. Other areas of engagement for the NZ RLIC management team include litigation to prevent local government assuming inappropriate roles in fisheries management and resolution of outstanding issues related to cost recovery.

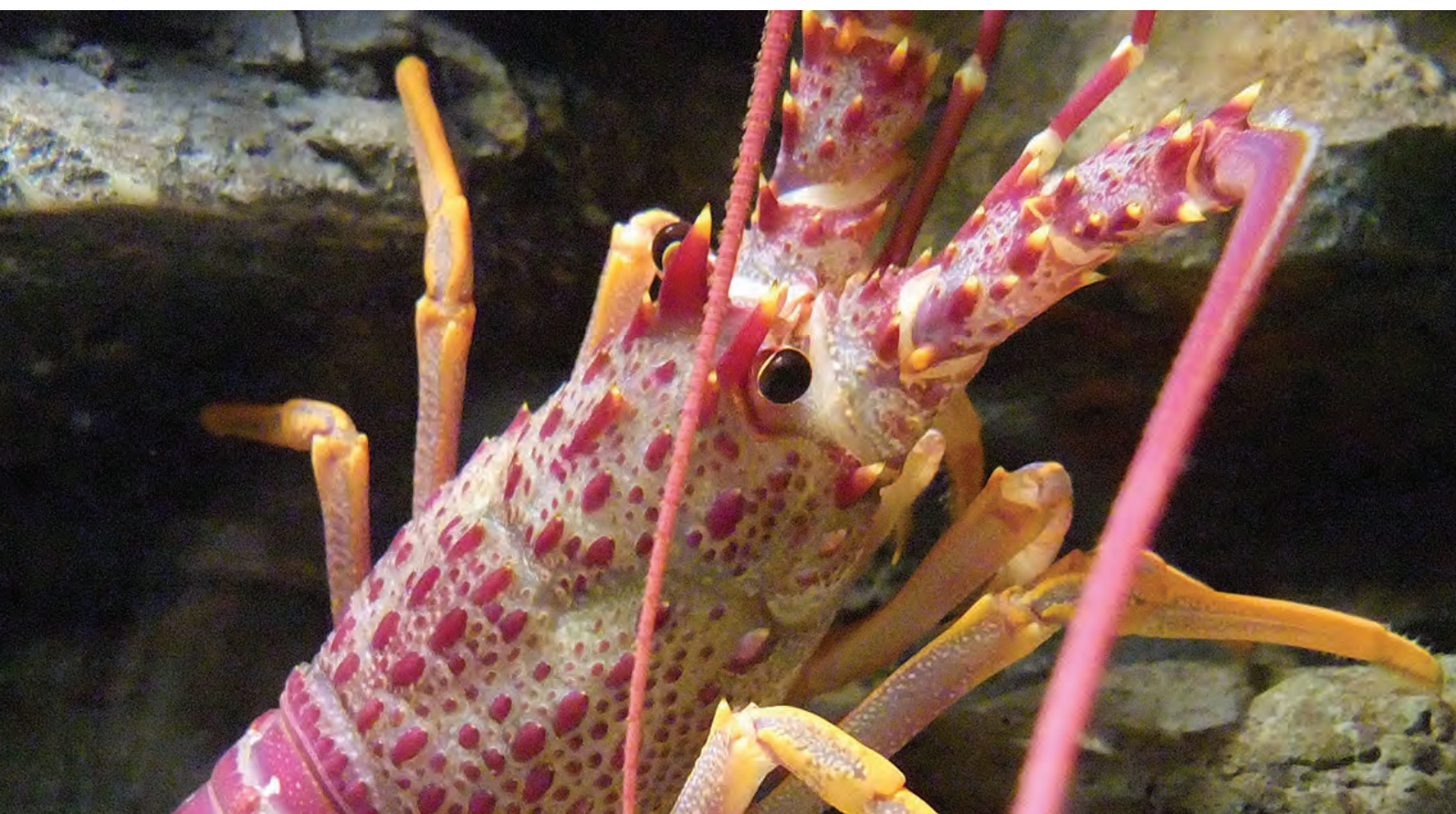
The closing stages of the 2016/17 lobster season were notable for an easing of export prices and corresponding lower beach prices. TACC reductions invoked from April 2017 will impact on export production. The NZ RLIC Board is supportive of New Zealand rock lobster exports being promoted and marketed as 'beyond premium' and in conjunction with *Lobster Exporters New Zealand* (LENZ) is investing to assist the industry in obtaining maximum value from quota limited landings.

FUNDING

The NZ RLIC has primary responsibility for the Rock Lobster Commodity Levy implemented in 2013. The administrative operation of the Rock Lobster Commodity Levy (invoicing and debt collection) is contracted to Commercial Fisheries Services Ltd (FishServe).

On request from the CRAMACs, financial administration of rock lobster Stock Specific Levy income is undertaken by the NZ RLIC under instruction from the respective CRAMAC executive committees.

The NZ RLIC also derives income from providing a range of contract management; financial management; and administrative services to a small number of select clients. Income earned in this manner offsets the amount required to be collected by way of the Rock Lobster Commodity Levy. The NZ RLIC also has a separate income stream from the operation of a multi-year rock lobster stock monitoring and stock assessment contract to the Ministry for Primary Industries.



Key Components of the 2017/18 Business Plan

CENTRAL OFFICE FUNCTION

Recruitment of a new Chief Executive with considerable fisheries management experience has greatly enhanced the policy and operational policy expertise of the NZ RLIC management team and in part reduced dependence on external consultants. The NZ RLIC maintains office and administrative facilities to ensure the safety and comfort of staff and visitors; and better serve industry members. NZ RLIC central office will stay close to a seafood cluster anchored by Commercial Fisheries Services Ltd (FishServe).

CONFIDENCE TO INVEST – PROTECTING A PRODUCTIVE ASSET BASE

The Fisheries System Review initiated by Cabinet during 2015 has resulted in the Government confirming a two-stage electronic reporting and monitoring programme.

VMS and electronic reporting will be mandatory from October 2017 – likely with a negotiated phase-in period. MPI currently proposes that video surveillance will be mandatory from October 2018.

A second component of the MPI Fisheries System Review will be rolled out progressively through 2018 and a key component will deal with allocation and access to shared fisheries. The NZ RLIC will be pro-active in both the high-level policy discussions and monitoring the way MPI interacts with and responds to the recreational fishing sector.

Over the past two years the NZ RLIC Board has enabled and facilitated activities which have recently resulted in the establishment a new 'whole of industry' collaboration with fishing industry and aquaculture organisations. The Commercial Fisheries Forum (CFF) comprises rock lobster, paua, inshore finfish and deep-water Sector Representative Entities (SREs) and Aquaculture New Zealand.

The CFF has well defined links to and from the Seafood New Zealand Board and maintains an active relationship with Te Ohu Kaimoana. The CFF is now actively engaged on a regular basis with MPI in relation to high-level policy and operational policies generic to inshore fisheries.



PROTECTING AND ENHANCING ACCESS AND UTILISATION OPPORTUNITIES

The NZ RLIC will continue to work to ensure that the Commercial Fisheries Forum operates as an effective, including cost-effective, grouping of inshore fishing interests sharing an agreed vision for strategic growth and development.

Collaborations with external consultants and service providers will be pursued on a contract by contract basis where the outcomes can be demonstrated to be of direct or indirect benefit to the rock lobster fisheries and to the fishing industry generally.

The NZ RLIC will negotiate a Service Level Agreement with SNZ to share funding of and access to the services of the Seafood Standards Council which has been integral to the development and oversight of the Rock Lobster Biotoxin Response Plan and numerous rock lobster processing and exporting operational policies and procedures. The Agreement will also extend to an investment in generic communications initiatives.

INDUSTRY SUPPORT

The NZ RLIC and CRAMACs are increasingly drawn into managing the impacts of biotoxin events on rock lobster fisheries. A Rock Lobster Industry Biotoxin Response Plan has been implemented and is under continual review to ensure its practicality and effectiveness. The NZ RLIC has co-invested in an extensive biotoxin research project being run in Australia and is coordinating associated testing protocols and food safety standards across the Trans-Tasman southern rock lobster fisheries.

REGIONAL SUPPORT AND COORDINATION

As it has done since 1997, the NZ RLIC will coordinate the delivery of a wide range of technical, science, legal and policy advice to CRAMACs and individual industry members.

The NZ RLIC will engage with CRAMAC Committees to ensure proper succession planning at national and regional levels. In support of those outcomes and as requested by CRAMACs, the NZ RLIC will contract and/or employ qualified personnel in management and administrative roles.

CO-OPERATIVE USER GROUP MANAGEMENT

The NZ RLIC and CRAMACs will maintain working alliances with a range of relevant non-commercial user groups, Government agencies, and independent research advisers.

The NZ RLIC will continue to support the operation of the National Rock Lobster Management Group (NRLMG) including the provision of science advice and administrative support services as required.

The NZ RLIC will further consolidate working relationships with Australian lobster industry groups and agencies to share information and ideas that have application to the New Zealand lobster fisheries.

PRODUCT STANDARDS AND CATCH IDENTIFICATION

The NZ RLIC is routinely called upon to advise and coordinate industry responses to agency discussions about product certification – incorporating either or both quality and environmental performance.

The NZ RLIC will maintain a contribution to the work of the New Zealand Seafood Standards Council and monitor any reviews of Animal Welfare and Animal Products standards for rock lobster fisheries.

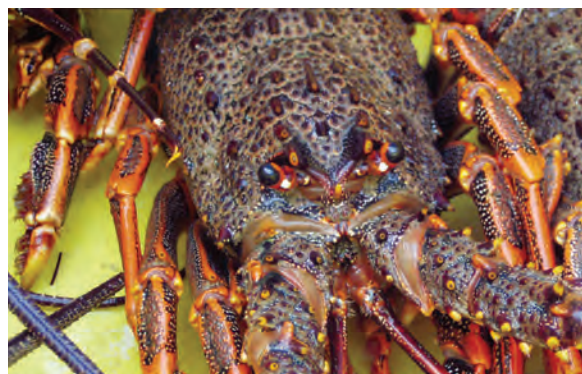
The NZ RLIC will monitor the development and implementation of seafood labeling and traceability standards and technologies and coordinate the development of appropriate rock lobster industry responses.

In collaboration with LENZ the NZ RLIC will progress a new initiative to investigate the strategic benefits to industry of independent third-party certification of New Zealand rock lobster fisheries.

The first phase of this work commences with an investment on the *OpenSeas* programme which will be the most comprehensive and current suite of information about the environmental, social and production credentials of the New Zealand seafood industry. This is achieved through a digital information portal that provides

profiles of individual species as well as comprehensive summaries of the production systems used in the management, harvest and production of seafood here in New Zealand.

As requested from time to time by LENZ, the NZ RLIC will provide administrative and other support to New Zealand rock lobster exporters to ensure secure access to, and efficient and profitable trading with export markets.





ROCK LOBSTER FISHERIES RESEARCH

The NZ Rock Lobster Industry Council Ltd is the principal contractor to the Ministry for Primary Industries (MPI) for the provision of rock lobster fisheries stock monitoring and stock assessment research services.

The NZ RLIC has an extensive array of contractual relationships with skilled service providers in New Zealand and overseas which enable delivery of the research services. These relationships include with NIWA, QuantiFish; StarrFish, Haist Consultancy, Lat37 Ltd, Breen Consultancy, Merrill Rudd, and seven other sub-contractors doing field work. Dr. Paul Breen is now retired from the research contract work but has been contracted to the NZ RLIC Board as a science advisor.

The current stock monitoring work programme comprises:

- observer catch sampling in five management areas and vessel Logbook programmes in eight management areas to collect length frequency and other biological data; and
- tag release and recapture programmes to measure the growth of lobsters for use in length-based population models.

The stock assessment science team is principally engaged in:

- updating the standardised CPUE analysis from all management areas and reporting on the operation of current Management Procedures and decision rules;
- estimating biomass and sustainable yields for nominated rock lobster stocks; and
- refining existing and evaluating new management procedures for rock lobster fisheries.

The assessment team members are also science advisors to the National Rock Lobster Management Group (NRLMG) which is the primary source of advice to the Minister on all matters relating to rock lobster fisheries research and management.

Oversight and management of the principle research contract is a fiscally neutral transaction for the NZ RLIC and contracted research work is not reliant upon Rock Lobster Commodity Levy income.



ELECTIVE RESEARCH AND DEVELOPMENT

The NZ RLIC facilitates and coordinates elective and direct-purchase research projects, each of which is sponsored, funded and initiated by the NZ RLIC or by CRAMACs. Investments will be made in a range of research activities.

Biological

More investment will be made in support of the Rock Lobster Biotoxin Response Plan and some of that will again be made in collaboration with the Australian southern rock lobster industry. Issues relating to toxin accumulation and depuration times must be clarified so that industry best practice will minimise the loss of fishing time and/or export opportunity in the case of persistent toxic algal blooms.

Marine Environment - Data Collection and Management

The *WhaleSafe* project, coordinated by the NZ RLIC after detailed consideration of the consequences to industry of whale entanglements associated with commercial lobster fishing, will be maintained and refined. *OceanSnap*¹ technology will be further improved with emphasis on making the at-sea observation and forward reporting components more user friendly and available to a wider range of marine users. The *OceanSnap* database and the associated analytical tools will be upgraded and negotiations are already underway for hosting and administrative management of the *OceanSnap* and NZ RLIC websites – the latter which includes ‘chapters’ for each of the nine CRAMACs.

Our efforts to evaluate cost effective and reliable technologies to enable lobster fishermen to minimise risk of whale entanglements will continue. The NZ RLIC will also continue to monitor and coordinate marine mammal and seabird responses across overseas lobster fishery jurisdictions to improve industry best practice in New Zealand.

CRAMACs and the NZ RLIC are significantly invested in electronic logbook programmes and those investments extend to maintenance of searchable data bases and evaluation of options for satellite reporting direct from fishing vessels. These are industry-funded projects in support of industry-owned data. The NZ RLIC will ensure that electronic data collection and storage protocols continue to meet or exceed the standards required by the Ministry for Primary Industries.

The *TagTracker* database and web-based reporting tool will be rebuilt and made more accessible to the lobster industry. Contracts are signed with FishServe to do the technical development work and to manage the tag release and reporting data bases.



¹ *OceanSnap* is a smartphone application developed as an extension to the *WhaleSafe* project to contribute to a reliable industry data base of marine mammal and seabird interactions.

COMMUNICATION AND MEDIA

The NZ RLIC intends a meaningful improvement in communication to and from, and about, the rock lobster industry.

The NZ RLIC will more actively and directly engage with the general media – in particular the print media – to promote the rock lobster industry and industry participation in and support for the New Zealand fisheries management regime.

The NZ RLIC has contracted to obtain editorial space in a national recreational fishing media publication. The NZ RLIC will write, and where appropriate, commission articles of both technical and general interest for submission, offer the material to other magazines and make increasing use of social media opportunities.

Positive changes to the NZ RLIC senior management team provide an opportunity to more often engage directly with CRAMAC committees and their constituents in the regions. The NZ RLIC website – www.nzrocklobster.co.nz – will be further developed and encouragement given to CRAMAC Committees to use that resource to regularly post news and information relevant to the regions.



INDUSTRY TRAINING

NZ RLIC will be pro-active in working with the Primary Industries Training Organisation to consolidate training opportunities and career pathways for lobster industry participants.

This is an ongoing process which moves at a pace determined by the ITO timetable and their available resources.

The more immediate training challenge for the rock lobster industry relates to the roll-out of the Electronic Reporting platforms required for fishermen to be IEMRS compliant from October 2017. The NZ RLIC has the expertise to train and support fishermen and to advocate for MPI to amend data specifications which can be demonstrated to be either unworkable onboard a fishing vessel or irrelevant to specific science and compliance needs.



Distribution and field testing of IEMRS-compliant reporting platforms/vessel units will commence in advance of October 2017 but training and support costs are not currently budgeted for and will need to be picked up during 2017/18.

2017/18 Budget and Proposed Commodity Levy

INCOME	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18
Commodity Levy	\$588,500.00	\$640,000.00	\$772,750.00
External Service Provision	\$8,000.00	\$12,500.00	\$15,500.00
MPI Research Contract	\$903,017.00	\$989,502.00	\$989,502.00
Total Income	\$1,499,517.00	\$1,642,002.00	\$1,777,752.00

EXPENSES			
Co-operative Management	\$136,000.00	\$150,000.00	\$170,000.00
Education and Information	\$26,000.00	\$30,400.00	\$23,000.00
Elective Research	\$11,000.00	\$27,000.00	\$15,000.00
External Consultants	\$31,000.00	\$42,100.00	\$32,000.00
Product Standards	\$7,500.00	\$14,920.00	\$25,000.00
Staff and Resources	\$505,000.00	\$555,050.00	\$643,250.00
Commodity Levy Renewal		\$8,500.00	
MPI Research Contract	\$783,017.00	\$869,502.00	\$869,502.00
Total Expenses	\$1,499,517.00	\$1,697,472.00	\$1,777,752.00

The NZ RLIC Board is agreed that the 2017/18 Rock Lobster Commodity Levy will be set to recover \$772,750.00 to offset NZ RLIC operational expenses for the period 01 October 2017 through to 30 September 2018.

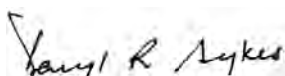
The total 2017/18 CRA TACC is 2,703.24 tonnes – the CRA Commodity Levy will be \$285.86 per tonne.

Should you have any enquiries about the proposed 2017/18 NZ RLIC Business Plan and Budget, or about the Rock Lobster Commodity Levy please contact the NZ RLIC office at your convenience.

NZ Rock Lobster Industry Council Ltd



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