The bright blue future - strangled in red tape

In the world of New Zealand seafood, aquaculture, it must be said, has always been the teacher’s favourite. Mostly well behaved and destined for a bright and limitless future. The one kid who is guaranteed to keep you well in your retirement.

Last year, Fisheries Minister Stuart Nash launched an ambitious plan to take the industry from $600 million to $3 billion in 15 years and said part of that growth would be to extend aquaculture into open ocean farms.

Grant Rosewarne, chief executive of New Zealand King Salmon, is the industry’s chief cheerleader, his optimism and excitement for aquaculture’s future is so relentlessly bullish you’d buy shares if he was selling them door-to-door.

So, you have to worry when continuing and constant delays to King Salmon’s flagship open ocean farm, Blue Endeavour, have even Rosewarne seething with frustration.

The government’s recent *Fit for a Better World* document, a blueprint for how primary industries are going to pull New Zealand out of its COVID-induced economic doldrums, made special mention of aquaculture, talking up its “huge potential” and making specific mention of open ocean aquaculture.

The reality is, open ocean aquaculture is just another victim of the Resource Management Act (RMA).

New Zealand has 430 million hectares of water on its doorstep, the fourth largest EEZ in the world, and the RMA red tape being put in King Salmon’s way to get less than five hectares of that to grow 4,000 tonnes of sustainable King Salmon is a very long and very sorry saga.
Rosewarne says the process is as ridiculous as specifying whether they are using square or circular structures when it’s a farm no one will see as is over the horizon.

Open ocean farms are proven to be fully reversible; once farming stops they very quickly revert to how they were, but King Salmon has just had to pay $250,000 for a survey of how many horse mussels are in the Cook Strait to prove that if the farm had an impact on them, the horse mussel population wouldn’t suffer.

Open ocean farms are expensive – some will cost in the vicinity of $100 million and have a lifespan that is longer than the 35 years allowed by the RMA. The scale of the investment required and uncertainty over the water space are not happy bedfellows.

Rosewarne says the process is so laborious that by the time they get the farms consented he doubts the technology will still be current.

In the case of Blue Endeavour, which is going to lie 7 kilometres north of Cape Lambert in the Cook Strait, there are only 14 submitters involved in the process. He is doubtful that the RMA hearing scheduled for September will go ahead as there has been a constant stream of new hoops to jump through delaying every step of the process.

King Salmon could go beyond 12 nautical miles and out of the clutches of the RMA but then they would come under the jurisdiction of the Environmental Protection Authority. Last time they tried that it cost them $11 million because there was such an uproar from council and public that they were not going through the RMA. To add insult to injury, they only got them three of the nine water-space allocations they wanted and didn’t gain one kilo of extra volume because they were forced to retire other sites in low flow areas. In other words, the RMA is bad, but the EPA is worse.

Rosewarne says Blue Endeavour is on the same scale as what they do in the Sounds but with currents twice as fast, so the impact is expected to be less.

He just wants the go ahead, to prove how benign the process is.

“We could start on the same scale in the ocean as we currently farm inshore and be monitored to see any effects. If it fails, the seafloor will naturally reverse with no harm done.”

Instead, he battles on month after month, year after year with the RMA.

This is a problem government needs to solve quickly as climate change affects some inshore sites.

*Fit for a Better World* makes mention of improving regulatory settings around aquaculture and some political parties talk of a review of the RMA.

Either would be preferable to the current situation. If we’re serious about pulling New Zealand out of the forthcoming economic slump, it’s time for some concrete action on aquaculture.
New Zealand Coastal Seafoods, a secondary producer of marine ingredients and neutraceuticals, is expanding its product line to include oils and powders derived from greenshell mussels, oysters and seaweeds.

The company are looking to export its new products to Europe and the United States, where they'll be processed into pharmaceutical-grade health supplements, mainly in the form of capsules.

NZCS has already received its first order for mussel powder from the European market, to the tune of $70,000.

NZCS executive director, Aldo Miccio and business partner Peter Win, were already running a seafood trading company when they started Coastal Seafoods in 2016.

The duo noticed high-value shipments of frozen ling swim bladders (maw) going to Hong Kong – a product highly prized in Asia due to its collagen content.

Ling maws became the company’s founding product, fetching between $400 and $500 per kilogram.

"Two years into that we thought we need to expand. We raised some capital by listing on the ASX (Australian stock exchange), which has a bigger capital market and is more connected to South East Asia and Hong Kong," Miccio said.

The increased capital allowed the company to move into a larger premises in Christchurch, which is due to be retrofitted with new, purpose-built equipment for drying and powdering.

"We view ourselves now as a biotech company. Having gone from a fast-moving, healthy consumer goods product, we are now starting to process and dry the ling and extract collagen from it ourselves," Miccio said.

New equipment will mean the oil extraction process can also be completed in-house.

Although ling maw remains their best seller, Miccio predicts this trend will change as its neutraceutical operations develop.

"The bulk of stuff going to Europe and the States will be oils. The more value you can add the more profits you can generate."

NZCS currently employ about 25 staff but expect factory staff to triple over the next year as production increases.
New Zealand Coastal Seafood’s new Christchurch facility features purpose-built equipment for drying and powdering marine ingredients.

2020 Sustainability Awards

The Sustainable Business Awards are New Zealand’s longest-running and pre-eminent sustainability awards. Now in their 18th year, they recognise businesses, local government, social enterprises and individuals succeeding in sustainability.

The Awards provide the chance to compete in 12 categories relating to sustainable business, including new categories for covid-19 resilience, climate action and technology:

- Sustainability Superstar
- Communicating for Impact
- Climate Action Leader
- Climate Action Innovator
- Social Impactor
- Outstanding Collaboration
- Going Circular
- Tech for Good
- Good Food
- Restoring Nature
- Change Maker
- Resilience in Crisis

The Supreme Award will be awarded to a business for outstanding performance in all aspects of sustainability.

All New Zealand organisations and individuals may participate.
The successful conviction of commercial fisherman Kevan Huia Clarke has been commended by Seafood New Zealand. Clarke was convicted in Wellington District Court this week for not reporting 11 tonnes of pāua and rock lobster worth nearly $900,000. The Chatham Islander was sentenced to nine months of home detention, 200 hours of community service and had his vessel seized. Chief Executive of Seafood NZ, Jeremy Helson, praised the Ministry for Primary Industries compliance unit, led by Gary Orr, saying it was often difficult to get convictions in this type of case and their hard work was a good result for the industry and the fishery. “We condemn any illegal behaviour and offending on a scale such as this can cause serious harm to our fishery. It undermines the good work we do in keeping our stocks healthy through the Quota Management System and we will not tolerate it,” said Helson.

A skipper was fined a total of $8,500 in the Thames District Court this week for running the mussel barge, Falcon, aground on Motuokino Island (November 2018). Skipper, Connor O’Shea Bevan, was steering while filling out paperwork. The two deckhands were also resting – neither had been assigned as a look out and at least one of them was asleep. The vessel’s GPS screen was zoomed out so the whole Coromandel Peninsula and Great Barrier Island were in view to help plot a course. However, this also made smaller islands disappear from the display screen. The Thames District Court said Bevan caused unnecessary danger or risk by failing to keep a proper look-out and failing to use appropriate means to determine whether a risk of collision existed. Bevan was ordered to pay $5,000 to the vessel’s owner, Sanford Limited, as reparation and $3,500 in further fines. Maritime NZ Central Regional Compliance Manager, Michael-Paul Abbott, said
keeping proper look out is fundamental to maritime safety. “Keeping proper look out prevents collisions and can save lives,” Abbott said. “In this case, *Falcon* ran aground and no one was injured. Had it collided with another vessel the result could have been tragic.”

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