

Early settlement of aquaculture obligations



Crown, Te Waipounamu and Coromandel iwi reach an agreement in principle for a \$97 million early cash settlement of aquaculture obligations, giving certainty to both iwi and the aquaculture industry.

In October, the Crown and iwi of Te Waipounamu (South Island) and Coromandel signed an Agreement in Principle to meet the Crown's "pre-commencement" space obligations to iwi under the Māori Commercial Aquaculture Claims Settlement Act 2004.

The ceremony involved government Ministers along with iwi leaders and other distinguished representatives from government and Māori agencies. Approximately 100 iwi attendees made the journey to Parliament to witness the ceremony.

"This Agreement in Principle marks an important stage in the settlement of Māori aquaculture claims and covers the majority of New Zealand's current marine farming areas," says Peter Murray, MFish General Manager, Corporate Services and leader of the Crown negotiating team on behalf of MFish.

The Agreement centres on the payment of \$97 million to cover the Crown's obligations to iwi in the Coromandel, Marlborough



MFish General Manager, Corporate Services, Peter Murray, Pou Hononga Team Leader (South), Judith MacDonald, Bevan Wilson, Ngāti Apa ki Te Waipounamu, Peter Mason, Ngāti Apa ki Te Waipounamu and Roma Hippolite, Ngāti Koata Trust.

Sounds, Tasman Bay and the rest of Te Waipounamu for aquaculture space created between 21 September 1992 and 31 December 2004 (“pre-commencement space”). It covers all of the major species currently farmed in New Zealand: greenshell mussels and spat (juveniles); scallop spat; pacific oysters; paua; salmon; and kingfish.

Aquaculture is an increasingly important part of the New Zealand seafood industry. In 2007, greenshell mussels surpassed hoki and became New Zealand’s most valuable export seafood species, with sales of around \$175 million. Census 2006 lists aquaculture as the second largest seafood employer after seafood processing, with 1,086 people directly employed in the industry.

“The early cash settlement gives substantial benefits to the iwi involved and it also gives the wider aquaculture industry certainty as it works toward its goal of becoming a billion dollar a year industry by 2025,” says Peter.

WORKING TOWARDS A PROPOSAL

The iwi of Te Tau Ihu (the upper South Island) approached the Minister of Fisheries and asked that the Crown consider an early regional settlement of the pre-commencement space obligations in the Marlborough and Tasman regions.

In July 2008, the Minister of Fisheries issued a plan that outlined options for the Crown to meet its pre-commencement space obligations to Māori by 31 December 2014, as required by the Settlement Act.

At the same time as he issued the plan, the Minister invited Te Tau Ihu to put forward a proposal for an early cash settlement of the Crown’s obligations in Marlborough and Tasman. At the request of iwi, with an interest in Marlborough and Tasman, this invitation was then extended to the rest of Te Waipounamu.

“It is very significant that all the iwi of Te Waipounamu were able to come together and work with the Crown to negotiate a settlement that covers the whole of the South Island,” says Peter. “This is the first time this has been achieved.”

At the request of the Hauraki Māori Trust Board, and with the support of Te Waipounamu iwi, the Coromandel region was also added to the settlement negotiations and the final Agreement in Principle.

A COLLABORATIVE APPROACH

Iwi and the Crown spent a number of months developing a proposal for the early settlement. Iwi leaders and their advisors, along with Ministers and MFish officials, worked cooperatively to estimate the value of the Crown’s obligations in each region, based on a proposed valuation method developed by consultants engaged by the Crown.

“Iwi, Crown, and their respective advisors have worked tirelessly together to come up with an agreed figure for the cash settlement and produce this Agreement in Principle.

“This shows the good faith of iwi in negotiating an agreement and the commitment of the Crown to meet its settlement obligations in a fair and effective way,” says Peter.

Aquaculture is an increasingly important part of the New Zealand seafood industry.

IMPLEMENTING THE AGREEMENT

The Agreement in Principle will need to be formalised in a Deed of Settlement and the Settlement Act amended by Parliament to allow for the early settlement to be given effect. This process is now underway and should take no more than 12 months to complete.

The \$97 million sum, plus interest now being earned, will initially transfer to Te Ohu Kaimoana, as Trustee of the Māori Commercial Aquaculture Settlement (Takutai Trust). The Settlement Act requires that iwi must establish properly mandated representative organisations and agree between themselves on the division of settlement assets, before the Trustee transfers those assets to them.

Almost all of the iwi who have signed the Agreement in Principle have mandated organisations in place, and tentative agreements have been reached on the division of assets—subject to iwi ratification. 

