

MARINE RECREATIONAL FISHING CHARTER VESSEL REGISTRATION AND REPORTING - FINAL ADVICE

Executive Summary

- 1 This Final Advice Paper recommends the introduction of regulations that would require all marine recreational charter fishing vessel operators (charter operators) to register their vessels with the Ministry of Fisheries (MFish) and report their fishing activity on a monthly basis. For some key species in some areas, catch reporting will also be required.
- 2 A lack of information on the activities and catch of marine amateur fishers is a serious impediment to better management of shared fisheries. Shared fisheries are those fisheries in which commercial, amateur and customary fishers all participate. Good information is required in the setting of sustainable total allowable catch limits, for allocation of uses between sectors, in spatial planning processes across government, and to enable the possibility of specific management action at a local level – by MFish or by stakeholders themselves.
- 3 MFish considers that a reporting programme for marine recreational charter vessels (charter vessels) will significantly benefit the management of shared fisheries. Currently, there is very limited information available on the size and distribution of the charter vessel fleet, or its activity and catch. However, it is evident that the number of charter vessels has increased significantly over the past decade and activities of the fleet have changed.
- 4 MFish has consulted on an Initial Position Paper (IPP) that proposed the following measures:
 - Vessel registration – All charter operators would be required to register their vessels annually with MFish;
 - Activity reporting – Charter operators would report their fishing activity by location (latitude and longitude coordinates), including the number of fishers, time fished, and main species caught from their vessel; and
 - Catch reporting – Where catch from charter vessels includes fish of stocks selected for catch reporting, the number of fish of that stock caught at each location would be recorded. These stocks include hāpuku/bass in HPB 1 and 2, kingfish in KIN 1 and 2, blue cod in BCO 3, 5 and 7 and all southern bluefin and Pacific bluefin tuna. Catch reporting information would also include weights for these tuna species.
 - Daily reporting forms would be returned to MFish monthly by the 15th of the month following the date of fishing. Nil returns would be required if no fishing takes place in a given month.
- 5 In response to the IPP, MFish received 69 written submissions from individuals, stakeholder groups and tangata whenua organisations, as well as 18 anonymous submissions in support of the views outlined in a submission from Mr Keith Ingram.

- 6 Most submissions, including those from amateur and commercial sector stakeholder organisations, agree that charter vessel registration and reporting would provide information that would improve the management of shared fisheries. Some charter operators voiced strong opposition to the proposals and did not see them producing any benefits for the charter fleet.
- 7 MFish has considered submissions and subsequent discussions with stakeholders and recommend that all charter operators are required to:
- Register their vessel(s) annually with MFish.
 - Pay a fee of \$150 per vessel per annum, payable on registration, to assist with the administrative costs of the reporting scheme.
 - Report their fishing activity monthly, using log book forms provided by MFish, to a contracted service provider. Activity would be reported by location (latitude and longitude coordinates), and include the number of fishers, time fished, and main species caught.
 - Where catch includes fish of the following stocks, the number of fish of that stock retained at each location will also be required on the reporting form. These stocks are:
 - Hāpuku and bass (HPB 1 and 2)
 - Kingfish (KIN 1 and 2)
 - Blue cod (BCO 3, 5 and 7)
 - Rock lobster (CRA 3, 4, 5, 7 and 8)
 - Southern blue-fin tuna
 - Pacific blue-fin tuna
 - Where catch includes either Southern blue-fin tuna or Pacific blue-fin tuna the estimated weight of each fish will also be required.

The Issue

- 8 Lack of good information on amateur fishing activities makes it difficult to manage fisheries sustainably or assess the value that fishing provides for stakeholders – particularly the amateur sector.
- 9 At present, information on amateur catch is collected mainly through surveys. Estimating amateur catch is difficult and expensive and results in which confidence can be placed have been very limited. Improved estimates of amateur catch are required to ensure the effective management of fisheries where the amateur take is likely to represent a significant proportion of total take.
- 10 One aspect of the need for improved information on amateur catch is the need to find out more about the charter vessel fleet. At present, MFish has little confirmed information on the size and distribution of the charter fleet, the level and distribution of their fishing activity, or their catch of key shared fish stocks. Recent research has shown that the number of charter vessels has increased by at

least 200 vessels (or 55%) in the last decade, with a minimum of 600 thought to be operating in 2006¹.

- 11 In some fisheries, such as the West Coast bluefin tuna fishery, where catch from charter vessels is likely to be a significant proportion of total amateur catch for the stock, reliable information on catches could contribute to improved assessments of the sustainability of overall catch, and inform decisions on catch allocation between competing sectors.
- 12 Fisheries managers, tangata whenua and stakeholders have all expressed a concern that MFish needs improved information on charter vessel activity to better inform management measures. MFish considers that charter operators are in a good position to provide information to address this information deficit.
- 13 This proposal follows from consultation on “Shared Fisheries - Proposals for Managing New Zealand’s Shared Fisheries: A Public Discussion Paper,” released by MFish in October 2006. In October 2007 the Government agreed to postpone decisions on the main body of the Shared Fisheries proposals, but decided to proceed with some initiatives that were strongly supported during consultation. These included establishing regulations requiring charter operators to report their activity and catch. During February and March 2008, MFish met with charter operators in a series of meetings to discuss the development of a charter vessel registration and reporting scheme. The results of these meetings informed the development of the Initial Position Paper (IPP).

Summary of Options

Initial Proposals

14 The IPP proposed regulations that would require charter vessel operators to do the following:

- Register – Those meeting the definition of a charter vessel operator would be required to register their vessel(s) annually with MFish, providing basic details of their vessel and business. A fee of \$150 per vessel, per annum, payable on registration to assist with the administrative costs of the reporting scheme was proposed.
- Activity Reporting – Charter fishing activity would be reported by location (latitude and longitude coordinates), and include the number of fishers, time fished, and main species caught. Information should be recorded at the fishing location on a log book form provided by MFish.
- Catch Reporting – Where catch includes fish of stocks designated for catch reporting, the number of fish of that stock retained at each location would be required on the reporting form. Weight for large game-fish species could be required on a case-by-case basis.
- Daily reporting forms would be returned to MFish monthly by the 15th of the month following the date of fishing. Nil returns will be required if no fishing takes place in a given month.

¹ Anderson, J. 2006, Indicators of Recreational Fishing Activity in New Zealand 1990 – 2006, Internal report prepared for MFish, Wellington.

- The earliest that these requirements would be effective would be 1 April 2010.

Final Proposals

1. MFish recommends you agree to the introduction of regulations requiring charter vessel operators to register their vessel(s) with MFish, provide reports of their fishing activity, and provide for catch reporting of selected fish stocks.

15 A recreational fishing charter vessel operator is a person, company or other legal entity that provides a vessel and crew (e.g. a master) for hire and allows clients to fish from that vessel under the Amateur Fishing Regulations.

16 Under the new regulations charter vessel operators would be required to do the following:

Registration

- Register their vessel(s) annually, providing basic details of their vessel(s) and contact details for their business,
- Pay a fee of \$150 per vessel per annum, on registration, to assist with the administrative costs of the reporting scheme;

Activity reporting

- Record their fishing activity for each trip before returning to port, using reporting forms provided by MFish. Activity would be recorded by location, and include the number of fishers, time fished, and main species caught.
- Return completed reporting forms monthly to a contracted service provider, with nil returns required where no activity has occurred during a month.

Catch reporting

- Where catch includes fish of the certain stocks, record on the reporting form the number of fish of that stock caught and retained at each location. The stocks would be:
 - Hāpuku and bass (HPB 1 and 2)
 - Kingfish (KIN 1 and 2)
 - Blue cod (BCO 3, 5 and 7)
 - Rock lobster (CRA 3, 4,5, 7 and 8)²
 - Southern bluefin tuna
 - Pacific bluefin tuna
- Where catch includes Southern blue-fin tuna or Pacific blue-fin tuna, record the estimated weight of each fish.

17 If this option is approved, implementation would include the following steps:

² These rock lobster stocks were added following consultation on the IPP

- MFish would work with key stakeholder representatives, before regulations are drafted, to ensure the reporting scheme is as streamlined as possible. This would include the development of a strategy to inform and educate individual charter vessel operators and other stakeholders about the new requirements.
- Registration and reporting services would be provided by a third party on tendered contract to MFish.
- On passing of the regulations, the Minister of Fisheries would release a policy statement explaining the reasons for, and intent of, the regulations. This policy statement would assure stakeholders on matters of sensitivity, particularly catch data being used to determine catch history, and confidentiality of location data.

Possible Variations of Option 2

18 One or more of the following variations of option 2 could be adopted to address concerns raised in submissions:

Fees

- \$150 fee deferred until reporting roll-out complete (2 years) for all vessels.
- A reduced fee of \$50 payable to recover the administrative costs of registration only.
- No fee payable on annual registration.

Activity Reporting

- Location data (latitude and longitude coordinates) to be held in a secure database, with any viewing and display of data aggregated to 5km grid squares, except by authorisation of the Chief Executive for a purpose specified in the regulations.
- Location data provided by operators as a grid coordinate from defined 5km square grid map (provided with reporting forms).

Catch Reporting

- Catch information on forms would be physically separated from personal and vessel identification after data entry. Database system design would ensure catch records retain location information but are not able to be associated with personal and vessel identification.

Consultation

19 The IPP was released for formal consultation on September 8 2008. The IPP was sent to all charter vessel operators who had registered their interest in being involved during the pre-consultation meetings and to other stakeholder and tangata whenua groups. The IPP was also posted on the MFish website. The period for submissions on these proposals closed on 17 November 2008.

Submissions Received

20 MFish received 69 written submissions on the initial proposals from both individuals and stakeholder groups. Of these, 24 supported the proposals, 17

expressed conditional support for the proposals and 28 were opposed. MFish received 42 submissions from charter operators. Six charter operators supported the proposals, 12 expressed conditional support and 24 were opposed. Appendix 1 provides a comprehensive analysis of issues raised in submissions and MFish's evaluation and response.

- 21 In an article in the trade publication *Professional Skipper*, Mr Keith Ingram independently called for submissions from charter vessel operators to be submitted to him³. Mr Ingram forwarded 18 anonymous submissions from charter vessel operators that supported his own submission.
- 22 Most submissions generally agree that more activity and catch information from the amateur sector is needed to improve the management of shared fisheries. However, there was no consensus about how to generate information from charter vessel operators.
- 23 The key points made in written submissions received by MFish are summarised below.

Key points in support of the proposals

- The proposed registration and reporting system would provide information that would improve the management of shared fisheries; and
- Catch reporting should be extended to other shared fish species including snapper, rock lobster, scallops, paua, tarakihi and bluenose.

Key points in opposition to the proposals

- The proposed scheme is too expensive for charter vessel operators;
- The possibility that MFish might make latitude and longitude coordinates of individual fishing locations publicly available;
- The information from catch reporting could be used to generate catch history records as a precursor to introducing charter operators into the QMS;
- The proposed registration and reporting requirements would produce low quality data that would not benefit the management of shared fisheries; and
- The proposed reporting requirements would threaten the safe operation of charter vessels, as writing in logbooks could distract them from keeping watch at sea.

Key points in conditional support of the proposals

- MFish needs to accurately define a recreational charter vessel before applying any registration and reporting requirements to the fleet;
- The registration and reporting requirements should apply to all amateur fishers and that these fishers should be subject to further management measures such as decreased bag limits; and

³ Keith Ingram is an advocate for charter operators' interests

- The registration and reporting requirements should only apply to those charter vessel operators whose fishing activities exceeded a specific effort threshold.

Rationale for Options

- 24 MFish considers that the proposals outlined in the IPP should proceed subject to some modification.
- 25 The proposed regulations would address part of the greater challenge of improving information available for the management of shared fisheries. They would also allow for better consideration of charter operators' needs and rights as existing resource users in fisheries management planning and decision-making.
- 26 Charter operations can focus significant fishing effort on very specific locations, and this can pose a risk to local populations of fish, particularly for species that adopt a relatively confined territory. Without improved information on charter vessel activity it is difficult for MFish to assess whether growth in vessel numbers and activity is spread across locations and stocks or focused on particularly vulnerable stocks or localised populations.
- 27 The proposed measures will provide information to ensure that sustainability of stocks (and potentially of localised populations) can be better managed and the needs of the amateur sector are better taken into account when catch limits are set and allocations made.
- 28 MFish has struggled to inform inter-agency processes about the extent of use of the marine environment by amateur fishers when spatial management measures such as marine reserves are being considered by government. Information about the extent of use by charter vessel operators is particularly limited. Charter vessel reporting would provide up to date information on the nature and extent of existing use of the marine environment by the charter vessel fleet.
- 29 Registration of operators and vessels will provide a definitive list of stakeholders and the geographic distribution of the fleet and how this is changing over time. This will highlight where charter vessel activity may be a significant pressure on key fisheries. Activity reporting will allow assessment of the extent of current activity and of trends over time that may affect management.
- 30 Catch reporting is proposed to be targeted only at stocks where it can make a significant direct contribution to management over and above activity reporting. MFish proposes the following stocks for catch reporting to minimise compliance costs. This will mean that on any trip, a charter operator is unlikely to have to report catch of more than two stocks. Appendix 2 provides a brief rationale on the need for catch information on each of the stocks.
- Hāpuku and bass (HPB 1 and 2)
 - Kingfish (KIN 1 and 2)
 - Blue cod (BCO 3, 5 and 7)

- Rock lobster (CRA 3, 4,5, 7 and 8)
 - Southern bluefin tuna
 - Pacific bluefin tuna
- 31 Further stocks could be introduced for catch reporting at a future date where this could significantly assist management. However, such further reporting requirements would be subject to consultation on regulatory change in the same manner that the current proposals are being dealt with. Requirements for the addition of species could be determined through stakeholder involvement in the development of fisheries plans.

Assessment of Management Options

Option 1 – Status Quo

Impact

- 32 This option would not require charter operators to provide information on their fishing related activity or on the catch taken by their clients.
- 33 Fisheries managers will continue to have limited information on the total number of charter vessels, their location and activities that could be used to assist fisheries management. There would be no catch information to help inform management decisions on specific stocks targeted by amateur fishers aboard charter vessels.
- 34 Fisheries managers will continue to lack specific evidence regarding the existing use of areas by charter operators and amateur fishing interests when providing advice on spatial planning and allocation decisions.

Costs

- 35 MFish would be unable to make progress towards improving the management of shared fisheries. If the number of charter vessels continues to increase the lack of information on charter vessel activity and catch may exacerbate potential risks to the sustainability of some stocks. Lack of information will also make it difficult for MFish to consider the needs of existing resource users in management processes.
- 36 Some submissions have expressed concern that the impact of fishing from charter vessels has a significant impact that is not being monitored. These stakeholders would not find the status quo a credible management option.

Benefits

- 37 This option will avoid the costs of the proposed measures to charter operators and the costs to MFish of changing regulations, and the associated implementation and compliance costs. MFish believes these benefits would be outweighed by the costs of continued lack of information on the size and distribution of the charter fleet and its activity and catch of some species.
- 38 The majority of submissions do not support the status quo.

Option 2 – Recreational Charter Vessel regulations [MFish Preferred Option]

Impact

- 39 All charter operators would be required to register their vessels with MFish and submit monthly returns on their activity and catch of specific stocks to a contracted service provider. This will involve recording information on a reporting form provided by MFish, comprising location data, fisher numbers, time fished and main species caught for each fishing location visited. For selected stocks, charter vessels operators would also be required to report their clients' retained fish catch.
- 40 Where catch recording is required for specific stocks, some cooperation of clients will be required when fish of the nominated species are caught and retained. Every effort will be made to make log-books as simple and user friendly as possible.
- 41 The earliest the registration and reporting requirement will be applied is April 2010. MFish proposes that the regulations will empower the Chief Executive to phase-in the introduction of reporting over time. Reporting obligations would be phased as follows:
- Challenger area (FMA 7) – April 2010
 - Auckland north (FMA 1) – April 2011
 - Balance of the country – April 2012
- 42 MFish will endeavour to notify all charter operators of the new regulations before they take effect. MFish will also provide information and assistance on the details of charter operators' obligations, including how to complete reports and submit information.
- 43 It would be an offence to operate without being registered with MFish, to report incorrect information or to fail to report within required timeframes. Penalties, including the issuing of infringement notices (with accompanying fines) will apply for these offences.

Costs

Costs for charter operators

- 44 The direct costs of this proposal on charter operators are limited. MFish considers that the annual administrative fee of \$150 will be a minor cost for most charter operators. Waiving the \$150 administration fee until all charter vessel operators are required to report their activity and catch would reduce the initial impact of the scheme.
- 45 MFish considers that the indirect costs associated with reporting are low. Recording the data in log-books at the time of fishing should quickly become a routine part of charter operations. For a limited number of operators with smaller open vessels, there may be some cost associated with ensuring log-books are protected from water damage.

Costs to MFish

- 46 MFish will incur initial capital costs to establish databases and compliance systems, and there will be ongoing costs of data entry and analysis. Costs of compliance activities, such as inspections, issuing of infringement notices and prosecutions will be incorporated into existing MFish priorities.

47 The estimated establishment capital costs and operating costs of option 2 are shown in Table 1.

Table 1 - Estimated costs of Option 2 (\$ '000)

MFish Costs	2009/10	2010/11	2011/12	2012/13
Capital cost (Initial cost of establishment)	\$280			
Operating Cost	\$365	\$265	\$365	\$415
Income from registration	\$30	\$90	\$90	\$90
Net operating costs	\$335	\$175	\$275	\$325

48 Figures are in New Zealand dollars and exclude GST. These figures are sourced from current costs of equivalent services required in the management of commercial fisheries.

49 Estimated costs do not include the potential for implementation of electronic data transfer. This is likely to be considered for development within the next five years, but the decision to invest in such a system will be based on net savings over time through reduced data entry costs.

50 A \$150 fee payable by vessel operators on registration would contribute approximately \$90,000 annually, or about 25% of operating costs for the reporting system. The balance will require additional funding from Government or reprioritisation of expenditure from within MFish baseline.

Benefits

51 Registration, activity reporting and catch reporting for selected stocks would provide the following information to assist management:

- The size and distribution of the recreational fishing charter fleet
- The amount of fishing effort being applied by the fleet, by location and main species caught
- The number of fish of selected stocks being caught and retained by fishers on recreational charter vessels.

52 The specific benefits of the proposals are outlined below.

Benefits of registration

53 Establishing the number of vessels involved and where they operate is fundamental to improving information on the sector and provides the basis for implementation of the reporting system. Specifically, registration would have the following benefits:

- Provide fisheries managers and stakeholders with information on the extent and distribution of the charter fleet and how this is changing over time. This would be a significant improvement on currently available information which relies on anecdotal sources and limited survey data.
- Improved communication between MFish and charter vessel operators over issues of concern in management of the fishery. To date, this communication has been patchy and on an ad-hoc basis. Operators may wish to participate in and contribute to fisheries management as individuals or express a collective interest as a group.

Benefits of activity reporting

54 Activity reporting will:

- Provide more robust information on the charter fleet's fishing effort and preferred target species. This would better inform estimates of, and allowances for, the impact that fishing from charter vessels is having on fish-stocks or on other stakeholders.
- Provide a time series of fleet activity from which managers will be able to identify and monitor trends. This would be particularly valuable where the charter fleet is expanding or changing its activities over time. For example this would highlight where there is an increasing concentration of charter activity in a small area and inform prompt management actions where appropriate.
- Enable the range of diverse interests in the charter fleet to be taken into account in management planning and decisions.

Benefits of catch information for selected stocks

55 Knowing the actual number of fish being caught and retained by recreational fishers from charter vessels for selected stocks would be very useful to their management. Catch reporting for these stocks would provide the following specific benefits:

- Reduce the uncertainty surrounding allocation decisions;
- Provide additional information to inform future stock assessment processes and may assist with ensuring their sustainability.

56 Limiting catch reporting requirements to the stocks listed above makes it unlikely that any charter vessel will have to report more than two species in any one trip.

57 Catch reporting from charter vessels for these stocks could be used to help calibrate data produced by other survey methods. Such 'triangulation' using several data sources can be valuable in providing reference points for relative catch data.

Cumulative benefits of the proposals

58 A range of management considerations will benefit from the combination of activity and catch reporting information. In spatial allocation decisions, such as for marine reserves, consideration of the known extent of charter fishing activity could provide better quality information to assist with management decisions.

- 59 Activity and catch information could be used to inform management decisions more quickly than information from long-term research projects.
- 60 Some stocks are vulnerable to local population depletion due to their territorial habits. Activity and catch information could provide warning signals of potential management problems in these areas and enable fisheries managers to respond earlier.
- 61 The Act stipulates that all decisions should be based on the best available information. In many fisheries information on commercial catch and effort is the best available, especially when weighed up against largely anecdotal information on amateur catch. Data collected from charter operators would help address this imbalance.

Possible Variations on Option 2

Fees

- 62 Set the fee at \$50 payable annually. MFish estimates that this would cover the costs of administering the registration process (i.e. excluding costs for data entry, storage and reporting) and is comparable to the cost of registering a commercial fishing vessel. A \$50 fee would contribute approximately \$30,000 annually or about 8% of operating costs for the reporting system.
- 63 Other options include deferring the fee for two years or eliminating the fee altogether to encourage acceptance of the scheme.
- 64 Any reduction in fee income will place further pressures on funding for MFish's other work.

Activity Reporting

- 65 Two alternatives are available to respond to concerns over reporting of specific location data:
- a) Construct contractual obligations and specify system development to ensure that reported point data cannot be viewed except by direct authorisation of the Chief Executive for purposes specified in the regulations;
 - b) Have charter operators report by a system of grid coordinates specifying 5 km grid squares instead of using point data.
- 66 The first alternative would be considerably more expensive and complex to implement and may not produce better results than the proposed policy statement. The second alternative would give up a key benefit to the sector of reporting location data, as well as potential benefits to the management of some stocks, and would increase costs and possibly increase inadvertent error rates. However, this second alternative is likely to ease charter operators' concerns regarding the security of the information they provide.
- 67 The primary advantage of having charter operators report point data is likely to be its use to defend existing use in spatial planning. This advantage can only be realised to the extent that the data is reported accurately.
- 68 There is a risk that requiring operators to report point data will result in some degree of deliberate misreporting of fishing location. The operators themselves bear the risk of deliberate misreporting. Careful communication of

this fact and the obligation of MFish to protect confidentiality of commercially sensitive information may convince most fishers to report accurately.

Catch Reporting

- 69 An alternative to respond to concerns over the potential attribution of catch histories based on catch reporting data is to physically separate catch information from personal and vessel identification after data entry.
- 70 This would likely address concerns raised in submissions. However, separating catch information from personal and vessel identification would give up the benefit of being able to identify catch trends from individual vessels over time. There is no intention to attribute catch histories to charter operators in order to bring them under the Quota Management System. This alternative may not reassure charter operators further than issuing the proposed policy statement.

Other Potential Approaches

- 71 Other means of obtaining improved information on recreational fishing charter vessel activity and catch have been proposed in submissions. These include more regular surveys of operators using voluntary log-books over a specific period, survey and monitoring of catch through regular dockside sampling of vessel landings or MFish placing observers on board a sample of charter vessels.
- 72 These methods are available now and can be applied through regular research programmes. This would not change under the regulatory proposals in this paper, and such methods may supplement and help to verify data provided through reporting requirements. However, on their own, these methods are not able to provide equivalent information and will not have the same benefits as the preferred option.

Statutory Considerations

- 73 In considering the proposed amendments, the Minister is required to follow relevant statutory criteria contained in the Act. These criteria are set out below.
- 74 **Section 5 (a) and (b):** There is a wide range of international obligations relating to fishing (including sustainability and utilisation of fish stocks and maintaining biodiversity). MFish considers that the proposal is consistent with issues arising under international obligations and the provisions of the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992.
- 75 **Section 10** states that the best available information should be taken into account when making decisions that affect utilisation or sustainability of fishery resources. Best available information means the best information that, in the particular circumstances, is available without unreasonable cost, effort, or time. The information that would be made available through reporting under this proposal would be the best available information on recreational catch from charter vessels if the costs are considered reasonable.
- 76 **Section 189 (g)** enables the chief executive to require persons providing vessels for hire for the purpose of enabling persons to take fish, aquatic life or seaweed to keep and provide accounts and records, and provide to the chief

executive such returns and information, as may be required by or under regulations made under the Act.

- 77 **Section 297(1) (h)** prescribes the power to make regulations outlining the form in which these returns are to be kept and provided, including timing of completion.

SUMMARY OF RECOMMENDATIONS

- 78 MFish recommends that you consider the following options regarding the introduction of regulations to require registration and reporting for recreational charter fishing vessels and indicate your decisions:

OPTION 1: Status Quo

OPTION 2: Introduce regulations to take effect at the earliest from April 2010 whereby recreational charter vessel operators would be required to:

A. Registration

- I. Register their vessel(s) annually, providing basic details of their vessel(s) and contact details for their business, effective at the earliest from 1 April 2010

AND select from one of the following options

- II. Pay a fee of \$150 per vessel per annum, on registration from April 2010, to assist with the administrative costs of the reporting scheme;
- III. Pay a \$150 fee deferred until reporting roll-out complete (2 years) for all vessels
- IV. Pay a reduced fee of \$50 payable to recover the administrative costs of registration only
- V. No fee payable on annual registration

B. Activity Reporting

- I. Record fishing activity for each trip before returning to port, using reporting forms provided by MFish. Activity would be recorded by location, and include the number of fishers, time fished, and main species caught;
- II. Return completed reporting forms monthly to a contracted service provider, with nil returns required where no activity has occurred during a month;

AND select from one of the following options

- III. Location to be reported as latitude and longitude data to be held by contracted service provider under standard MFish guidelines and protocols designed to protect confidentiality of commercially sensitive information;
- IV. Location to be reported as latitude and longitude data to be held in a specially designed secure database, with any viewing and display of data being routinely aggregated to 5km grid squares, except by authorisation of the Chief Executive for a purpose specified in the regulations.

V. Location data provided by operators as a grid coordinate from defined 5km square grid map (provided with reporting forms).

C. *Catch Reporting*

I. Where catch includes fish of the certain stocks, record on the reporting form the number of fish of that stock caught and retained at each location.

The stocks would be:

- Hāpuku and bass (HPB 1 and 2)
- Kingfish (KIN 1 and 2)
- Blue cod (BCO 3, 5 and 7)
- Rock lobster (CRA 3, 4,5, 7 and 8)
- Southern bluefin tuna
- Pacific bluefin tuna

AND

II. Where catch includes either Southern blue-fin tuna or Pacific blue-fin tuna, record the estimated weight of each fish.

AND select from one of the following options

III. Catch information able to be associated with personal and vessel identification after data entry.

IV. Catch information not able to be associated with personal and vessel identification after data entry.

AND

NOTE proceeding with the implementation of this proposal is subject to approval of MFish budgets for 09/10

Appendix 1 - Issues raised in submissions on the IPP

79 MFish received 69 submissions from a wide range of stakeholder groups, including, charter operators, commercial fishers, amateur fishers and tangata whenua organisations. MFish has considered each submission on its merits in regard to the overall objectives of the registration and reporting scheme.

80 MFish considers that many of the key issues raised in opposition to the proposals can be addressed either through the proposed modifications to the initial proposals or through their careful implementation. Subject to your decisions on this paper, MFish propose to work with key stakeholder representatives on implementation details.

81 This appendix outlines concerns with the registration and reporting scheme raised in submissions and MFish's evaluation and response. For clarity MFish has broken down these concerns into seven categories:

- A) Definition and extent of the scheme
- B) Registration and cost of the scheme
- C) Security of the information provided
- D) How the information will be used
- E) Data quality and enforcement
- F) Safety concerns
- G) Wider application of reporting requirements

A) Definition and extent of the scheme

82 Some submissions expressed concern with the definition of a charter vessel operator as outlined in the IPP. These submissions were concerned that this definition excluded land-based fishing guides, helicopter, and kayak or bare-boat charter operators from registration requirements. MFish considers that these exclusions are appropriate. The current definition is a pragmatic attempt to reflect the intent of the policy to capture information from charter operators providing on the water guided fishing services. The broader the definition of a charter operator, the more difficult it becomes for MFish to enforce the scheme.

83 Some submissions expressed a concern with the fact that registration and reporting requirements will apply equally to all charter vessel operators. These submissions explain that the transaction costs for part-time operators to be involved in the scheme would be too high and that the information provided by part-time operators would be of minimal value to management. These submissions suggest that the proposals should be targeted at full-time operators only.

84 MFish consider that information collected from part-time operators, even if simply a nil-return report would be useful for management. To exempt part-time charter operators from registration and reporting requirements could undermine the overall objectives of the scheme. It is difficult to determine where any cut off line would be drawn between full-time and part-time operators. Making this subject to self-assessment is problematic for enforcement of the whole scheme.

85 Some submissions suggest that registration and reporting should be limited to those vessel operators in those areas where the impact of fishing from charter vessels was cause for concern. It is difficult for MFish to nominate particular areas or

activities as cause for concern as there is limited information with which to make informed decisions. Requiring all charter operators to report their activity will signal possible areas of concern and allow a management response before these concerns reach crisis point.

B) Registration and cost of the scheme

86 Some submissions highlight that many charter vessel operators are already registered with Maritime New Zealand (MNZ) and that it is unnecessary for them to have to register with MFish as well. These submissions explain that the prospect of another registration fee may cause charter operators to withdraw from the MNZ register, potentially threatening their clients' safety.

87 MFish has explored the possibility of combining registration with MNZ, but this has not proved possible. However, there may be potential for sharing of the MFish registered vessel details with MNZ so that they can check the coverage of their own register.

88 Some submissions, particularly those from charter operators, oppose the proposals because they view the proposed \$150 fee as too expensive or unwarranted. These submissions argue either that it is the government's responsibility to collect fisheries management information on amateur catch or that MFish should pay charter vessel operators to collect information rather than charge them an administration fee. Some submissions see the initial cost as relatively minor but fear that it will increase over time.

89 Other submissions, particularly from commercial fishers, believe that charter operators, as commercial operators, should pay their share of the costs of managing the fisheries resources they gain benefit from using.

90 MFish does not consider the level of the proposed fee to be onerous. MFish considers charter operators to be marine fishing professionals who will benefit from improved fisheries management decision making driven by information collected through the reporting scheme. Consequently, it is not unreasonable to require charter operators to make a contribution to assist with the administrative costs of the reporting scheme. Nonetheless, all stakeholders, including the amateur fishing public, will benefit from the improved information provided by the reporting scheme. As such, it is reasonable that part of the cost of the reporting scheme is borne by the government.

C) Security of the information provided

91 Some submissions expressed concern over the proposal to require latitude and longitude coordinates in reporting the location of their fishing activity. These submissions consider this information as their own intellectual property, which is commercially sensitive. Some of these submissions propose that charter operators should only report activity information by area.

92 Activity information from charter operators could potentially be reported by breaking down existing commercial statistical areas into smaller units. However, to be useful for management, the information would need to be reported at a maximum spatial resolution of 5km squares. Even when reported at this level of resolution it is unlikely that grid square data would be useful for most situations where existing uses need to be taken into account.

93 MFish consider that requiring charter operators to report location by latitude and longitude coordinates would have more management benefits. One of the key reasons for using latitude and longitude coordinates to report the location of fishing, is to protect fisher (and charter operator) rights as existing users in future spatial planning processes. Latitude and longitude data is accurate and readily available from GPS equipment carried by charter vessels.

94 Some submissions raised concerns over the security of the information provided as part of the reporting scheme. These submissions expressed concern that MFish might leak information to other stakeholders threatening the commercial interests of individual charter operators.

95 MFish has policies and procedures in place for dealing with commercially sensitive information to address this type of concern in respect of data reported by commercial fishers. These policies and procedures mean MFish is unable to release data to anyone, including other operators, amateur or commercial stakeholders if it could compromise an individual's commercial interests. If it was necessary to include information on specific individuals' fishing practices in advice to the Government, that information would not be made publicly available due to its commercial sensitivity.

96 Other measures, such as the development of specialised database systems could be used to further protect confidentiality. These systems would be costly and add little in practical terms to existing systems. MFish considers that existing data handling and confidentiality protocols are adequate and that assurances from the Minister on this issue could help to allay concerns raised in submissions.

97 MFish does not have the capacity to administer the reporting scheme internally and would seek to contract these services out to an external service provider through an open tender process. The service provider processing charter vessel returns would be bound by confidentiality agreements as part of their contracts with MFish.

D) How the information will be used

98 Some submissions were concerned that the registration and reporting scheme represents the "thin end of the wedge". These submissions express concern that MFish will use the scheme as a springboard for introducing further management controls on the charter fleet, such as capping the total number of vessels.

99 MFish has not considered applying further management requirements to the charter fleet. The purpose of the registration and reporting scheme is to generate information that could be used to better inform management decisions. Any decisions on what tools should be used to address issues identified by this information would be subject to separate decision making processes.

100 Some submissions expressed concerns that catch information provided by individual operators could be used by MFish to construct catch histories in order to allocate quota to the charter fleet in the future. Incorporating charter operators into the Quota Management System would likely reduce the overall value obtained from the management of shared fisheries. There is no intention to bring charter operators under the Quota Management System, but the fear remains.

101 MFish considers that concerns raised in submissions about the use of data could be alleviated by statements directly from the Government that data will not be used to generate catch histories. As part of the implementation process, a written

policy statement from you on this matter is likely to satisfy concerns raised in submissions.

102 Some submissions suggested that a stakeholder organisation, such as the Marine Transport Association should be responsible for data collection and processing. MFish intends to contract the responsibility for data collection and storage to an external provider. MFish notes that the Marine Transport Association could tender for this contract.

E) Data quality and enforcement

103 Some submissions consider that the information collected through the reporting scheme will be of such low quality that it won't benefit fisheries management. These submissions highlight that it will be difficult for MFish to detect whether all charter vessels are registered, to enforce reporting requirements, or verify whether the information reported by charter operators is accurate.

104 As part of the implementation process MFish would work with stakeholders to ensure that all charter operators knew they were required to register with MFish. At sea or on land inspections by compliance staff will ensure that operators are complying with legislative requirements.

105 Some submissions suggest that in the future some charter operators may refuse to report the required information accurately.

106 MFish considers that it is charter operators' best interests to report activity and catch information as accurately as possible. Where spatial management measures such as marine reserves are being considered by government, inaccurate information would make it very difficult for MFish to take the nature and extent of the existing use of an area by charter operators into consideration.

F) Safety concerns

107 Some submissions considered that having to record the data at the time of fishing would threaten the safe operation of charter vessels, particularly those with a single crew member.

108 MFish considers that if conditions are suitable for fishing they should also be safe enough for the skipper to record activity and catch information. In some circumstances a charter skipper could record information after fishing had been completed prior to reaching port. Requiring records to be completed before landing is essential to provide incentives to regularly comply with reporting requirements, and to do so while accurate information is at hand. This will enable compliance spot-checks to be carried out at the dock as vessels make port.

G) Wider application of reporting requirements

109 Some submissions propose that catch reporting requirements be extended to include further species including snapper, rock lobster, scallops, paua, tarakihi and bluenose.

110 In response to feedback in submissions MFish has extended the catch reporting requirements proposed in the IPP to include rock lobster in CRA 3, 4, 5, 7 and 8. When making the decision whether to include individual fish stocks for catch reporting the cost of collecting, processing and storing the information must be weighed up against the benefits. MFish considers that at this time, requiring catch information for other stocks would increase the administrative and stakeholder

compliance costs of the proposal while providing minimal additional benefits to management.

111 For some stocks, such as SNA1 the total catch from charter vessels may be relatively large, compared to the catch in stocks nominated for catch reporting. However, in these stocks, MFish considers that catch from charter vessels is likely to be a small proportion of the total amateur catch. Consequently, in these fisheries, catch information from charter vessels would not be particularly useful to help improve stock assessment processes and collecting such information would not be cost effective. For many of these stocks other methods are likely to be more effective in estimating amateur catch.

112 MFish considers that in many areas activity reporting will provide enough information to help inform management decisions, particularly those involving spatial management measures.

113 Some submissions proposed that the reporting requirements be extended to all amateur fishers or that amateur fishers should be subject to further management measures. It is beyond the scope of these proposals to consider reporting requirements, or other management measures, for all amateur fishers. MFish consider that reporting by charter vessel operators provides a cost effective means to collect information on the activities of a significant sub-sector of resource users.

Appendix 2 – Rationale for stocks considered for catch reporting

Hāpuku & Bass (HPB1, HPB2)

114 These large groper species are believed to be somewhat territorial. They live within specific local areas on deep rock reefs and many do not move around a great deal. This limits the local population of large fish to the carrying capacity of the reef, and makes them vulnerable to being “fished out.” These fish will eventually be replaced by smaller recruits, but areas may take some time to recover if they are fished too hard.

115 Significant tonnages of HPB are taken by commercial fishers around the country with commercial catch limits of 481 tonnes and 266 tonnes in areas 1 and 2 respectively. In 1998, the catch from recreational charter vessels was estimated at around 170 tonnes for these two stocks, and total amateur catch may be considerably higher. However, this is the only information currently available on volumes of fish taken by recreational charters in these fisheries.

116 The significance of the charter catch as a proportion of the total known catch makes this information important to stock assessment. Evidence that charter effort has markedly increased over the past decade suggests that regular collection of catch information from charter vessels will be useful to management at the stock level. At a local level, location specific data is likely to inform scientific understanding of the fishery and management decisions.

Kingfish (KIN1, KIN2)

117 Kingfish are large fast swimming species popular with recreational fishers. They exhibit some tendency to long-term local residency, which makes them vulnerable to being locally depleted. Very limited information is available on the stocks and charter vessels are believed to contribute significantly to the amateur catch.

118 Although no longer significantly targeted by commercial fishers, there is a significant bycatch of kingfish in some pelagic trawl fisheries. The kingfish caught in this way are of low net value to commercial fishers and are a loss to the amateur interest in the species. Catch information from recreational charter vessels for kingfish is the only potential means to generate an assessment of the relative state of the stocks.

Blue Cod (BCO3, BCO5)

119 Blue cod is the southern iconic species with significant commercial and recreational take. Throughout its distribution, it is considered that there are many, largely independent sub-stocks, and, therefore, this species is susceptible to localised depletion. While Southland stocks seem to be more resilient to high levels of fishing effort, recent potting surveys have indicated decreases in relative abundance, especially in the northern part of the South Island.

120 Key fisheries (Kaikoura, Motunau, Banks Peninsula, North Otago, Foveaux Strait/Stewart Island & Fiordland) have seen a rapid and significant increase in charter fishing capacity. With the closure of the Marlborough Sounds and declining availability in Canterbury/North Canterbury, there is a growing transfer of effort

southwards within the fishery. Much of this increased effort is provided by the charter industry as this eliminates the cost of towing boats over significant distances.

121 These changes occurring in the fishery are increasing pressure for management intervention to ensure the continued sustainability of the fishery. While MFish has data on the commercial catch and a developing time series of relative abundance from potting surveys, the addition of real time data from this rapidly developing sector would contribute significantly to the ability to make justifiable, enduring management decisions that will be accepted by all sectors.

Blue Cod (BCO7)

122 This iconic fishery has been under very heavy pressure from recreational fishers particularly within the Marlborough Sounds but also with a developing charter fishery near Haast and South Westland. Anecdotal information suggests that charter operators working out of both Havelock and Wellington are taking large numbers of recreational fishers into both Tory channel and the outer Marlborough Sounds. Over the next few years MFish will be developing a comprehensive management plan for the Challenger mixed fishery. Having more detailed information would help inform the planning process and monitor the fishery.

Rock Lobster (CRA3, 4, 5, 7, 8)

123 Rock lobster is the key shared fish species for which information on amateur catch is hardest to obtain, and has been most inconsistent in national catch surveys. Target fishing of rock lobster by recreational charter vessels is believed to have a significant impact on fisheries in some areas. Rock lobster was not included for catch reporting in the proposals in the IPP. These stocks were added after consideration of submissions particularly from industry organisations (CRAMAC8 and the National Rock Lobster Industry Council).

Southern Blue-fin Tuna and Pacific Bluefin Tuna (STN1, TOR1)

124 The large size and sporting qualities of these species have captured considerable interest from big game fishers mainly fishing from charter vessels on the West Coast of the South Island. New Zealand has international obligations in relation to management of the bluefin tuna species. Southern bluefin tuna is subject to an international quota regime which needs to account for all take including the increasing amateur catch. A majority of the amateur catch is being taken by a limited number of charter operators. Reporting of catch from these operators will enable more accurate management of New Zealand's allocation of this species.

125 Pacific bluefin tuna is a similar species caught in the same fishery. It is not subject to an international quota regime, but New Zealand has obligations to ensure sustainable management of this species under international agreements. Catch reporting of this species in conjunction with Southern bluefin will allow comprehensive monitoring of the seemingly rapid development of this high value charter fishery.