

THE OUTPUT PLAN - Fisheries Services Proposed for 2003/04

The shift to an outcomes-focused organisation is one of the Ministry's key aims over the next three years.

Outputs and measures are the primary means for the Ministry to demonstrate performance towards the shared sector outcomes.

Outputs are the base level accountability points for the Ministry. Each output must, in some defined way, link to the contributing outcome, have performance indicators to tell us how well we are going in the pursuit of the outcome and what contribution we get from the outputs that feed into it, and be capable of measurement.

For instance, output 511 Commercial Fishing Rules Enforced, directly contributes to the "integrity of existing framework is maintained" outcome.

So, because stakeholders have incentives not to comply, the aim is to create a deterrent effect through:

- Changing the probabilities of detection; and
- Receiving penalties which outweigh the value of the proceeds from the crime.

This, in turn, creates confidence in the framework and moves toward an optimal level of compliance, with the intention of providing stakeholders with the confidence that the Ministry is running quality processes.

Delivering Outputs

Our output plan is contained in the following section and details the link from output to outcome more explicitly.

The Ministry recognises that movement towards a more outcome-focused organisation will require an ongoing refinement of outputs and measures. The first steps were taken towards this with the rationalisation of outputs and measures in the 2002/03 Departmental Forecast Report. Though there are only minor changes included for the 2003/04 year it is intended to undertake a comprehensive review of the outputs and output classes for the 2004/05 year and beyond.

This section specifically covers:

- the background to the 2003/04 output changes
- the criteria for assessing quality of policy
- a description of the output classes, to include:
 - reworded outputs with prescriptive definitions and indicative costs
 - measurement criteria across the dimensions of quality, cost and/or time
 - schedules detailing the key or material milestones to be met over the 2003/04 financial year
 - quality criteria for the output(s)

New Initiatives

The Ministry has a series of proposed new initiatives to be considered as part of the 2003/04 Budget process. These relate to building additional capability within the fisheries sector in total but particularly the non-commercial areas.

Investing in the capability of all sectors, but particularly the non-commercial areas, will enable those stakeholders to increase their participation and to take on an enhanced role in fisheries management.

Investing in additional Ministry capability will enable MFish to undertake work that it is now unable to do with its present resources.

Both will enable better and more informed decisions to be made on future fisheries management issues and achieve maximum value through the use of the fisheries resources, while, at the same time, protecting the environment.

Since 1986, New Zealand has successfully used market instruments and science-based advice to manage the use of our fisheries resources. This includes the quota management system for the commercial sector. The regime is innovative and New Zealand is the focus of considerable international attention as other nations seek to resolve the difficult issues of sustainable fisheries utilisation.

Under the quota management system, the sector has evolved from one focused on a 'race to fish' to one increasingly focused on investment in market developments and the resource, commensurate with the ability to assume collective accountability for fisheries management.

The fisheries management regime in New Zealand has given rise to:

- *An internationally competitive fishing industry*

The fisheries sector is New Zealand's fourth largest export earner. In 2001, the fisheries sector produced \$1.5 billion in export revenue, of which about 15% comprised aquaculture production. The industry operates under the pioneering and highly successful quota management system without subsidies and contributes to the cost of fisheries management via both cost recovery and direct delivery. The sector employs 26,000 people (10,000 directly) and makes an important contribution to regional economies. For example, the fishing industry in the Nelson region generates a \$383 million contribution to GDP and employs 5,440 people.

- *A high quality and popular marine recreational fishery*

Up to 20% of New Zealanders participate in recreational fishing every year. Recreational fishing also attracts foreign tourists. Free access to a healthy fishery by world standards is available to all recreational fishers. Both the northern snapper fishery and the Nelson scallop fishery are examples of world class recreational fisheries.

- *Resolution of customary fishing claims*

New Zealand is one of the first countries to comprehensively address resolution of aboriginal claims to fishing. The 1992 Deed of Settlement gave Māori a substantial stake in commercial fishing and provided for the non-commercial customary fishing and management rights of tangata whenua.

- *Sustainable harvests*

The majority of our commercial fisheries are harvested at a sustainable level. Recovery strategies are in place for all stocks known to be depleted. Work is continuing to develop new frameworks and standards consistent with our environmental focus, and to improve our knowledge about the state of stocks and environmental impacts of fishing.

Looking forward

Benchmarked against other OECD nations, we have a very efficient management regime, but also a relatively low level of government investment in fisheries management. For example, the ratio of net government expenditure on fisheries management to the annual landed value of the fishery resource averaged 17 percent in OECD countries in 1997. The New Zealand ratio was 4 percent.

The corresponding percentages for other OECD countries with credible management regimes include: Australia - 9 percent (before taking into account expenditure by State Governments); Canada – 25 percent; the United Kingdom – 13 percent; Iceland – 4 percent; Japan – 21 percent; Norway – 12 percent; the United States – 24 percent.

The current fisheries management regime has laid a useful foundation, but challenges remain to ensure that the goal of maximising the value New Zealanders obtain through the sustainable use of fisheries resources and the protection of the aquatic environment is met.

For the future, there is a need to improve the environmental performance of the fisheries sector, improve collective accountability for fisheries management, and invest in capability within the sector including within the Ministry of Fisheries. Progress in these three areas will take time and will be dependent upon new information, altered fishing practices and values, development of mutual trust, and consensus building skills. Underpinning this will be legislative changes to enable new institutional frameworks to evolve.

In the meantime the Ministry has identified the additional minimum resources it requires to make a start on building both wider sector capability as well as its own capability.

Building Ministry Capability

This proposal seeks additional baseline funding to significantly enhance the Ministry's capability in a number of critical areas as well as building capability within the Fishing sector. The Ministry believes that these proposals support the Government's 'sustainable management goals' and in particular supports an increasing focus on environmental management principles and fisheries management outcomes.

An increased environmental focus in the management of fisheries including; marine reserves, fishing interactions with marine mammals, seabirds and habitats as well as a strategic aim of a greater focus on proactive stock management, stakeholder participation and public awareness have resulted in an increasing demand for Ministry of Fisheries resources to analyse and advise on environmental, economic and social effects.

This proposal supports existing and ongoing operational commitments and enhances the capability of the Ministry to undertake and deliver on key areas including:

- Environmental Management
 - Marine Protected Areas
 - Environmental Impacts of Fishing
- Proactive Management and Stakeholder Participation
 - Stock Strategies and Fish Plans
 - QMS Introductions
 - Sustainability Management
 - Monitoring and Compliance
- International obligations
- Public Awareness

Each key area drives resource needs across the Ministry's functions of Policy Approval, Policy Implementation and Policy Monitoring and therefore has impacts across multiple business groups and output areas.

Environmental Management

Marine Protected Area Strategy and Marine Reserves

The Marine Protected Areas (MPA) Strategy has arisen out of objective 3.6 of the New Zealand Biodiversity Strategy: *“Protect a full range of natural marine habitats and ecosystems to effectively conserve marine biodiversity, using a range of appropriate mechanisms, including legal protection”*.

The actions under that objective of particular relevance are:

- (a) Develop and implement a strategy for establishing a network of areas that protect marine biodiversity, including marine reserves, world heritage sites, and other coastal and marine management tools such as mātaitai and taiapure areas, marine area closures, seasonal closures and area closures to certain fishing methods.
- (b) Achieve a target of protecting 10 percent of New Zealand's marine environment by 2010 in view of establishing a network of representative protected marine areas.
- (c) Promote and encourage individual and community initiatives to protect, maintain and restore habitats and ecosystems that are important for marine biodiversity.

The resource impacts on the Ministry of Fisheries of this key reform area are in the functions of policy development including scientific research and support through to policy implementation through an expected increase in requests for concurrence on Marine Reserve applications and Tangata Whenua requests for the establishment of Mātaitai and Taiapure reserves.

In the longer-term implementation becomes even more complex and controversial as larger areas of the marine environment are protected and the impacts on fishing and fishers are increased.

Impacts on Fishing

Resource requirements for the Ministry has already substantially increased and is likely to further increase as a result of a greater environmental focus on the fishing interactions with marine mammals, seabirds and habitats. This has already been experienced in the past 12 months with significant resources diverted to develop policy, undertake research, analyse and advise on interactions with sea lions, Hector's dolphins and Seabirds.

There is also a need to shift the strategic focus of the management of environmental effects from a purely reactive to proactive management in future.

Proactive Management and Stakeholder Participation

Included in this proposal are initiatives aimed at directly build capability within Stakeholder groups to increase their ability to participate in the management of fisheries. In particular this includes facilitating stakeholder input into policy development and standard setting as well as training and support to hapu/iwi representatives to participate in the fisheries management process. In addition the Ministry also needs to continue build the framework upon which proactive and devolved management can occur and develop the capability to manage the information requirements this strategy requires.

Stock Strategy development and maintenance

A key strategic objective enabling the Ministry to take a more proactive rather than reactive role in managing New Zealand's fisheries. Resources are required to both initially develop the framework and then implement stock strategies or stakeholder driven fish plans for all key species and stocks.

Once established, these stock strategies and fish plans will enable more effective targeting of resources right across the Ministry and the Industry as a whole. In the long term these resources will change focus from development to management and maintenance of these strategies over time.

QMS Introductions

As the primary tool for managing fisheries and therefore a key component of stock strategies the introduction of species into the QMS also underpins the development of fish plans as the allocation of property rights provides the incentive in stakeholders to invest in the future of their fisheries.

With the immediate aim to have 50 new species introduced by October 2004 and a long-term goal to have all appropriate species managed under the QMS this role is and will continue to be a large and ongoing priority of the Ministry of Fisheries.

The introduction of species into the QMS is driving an increasing need to provide new policy development and implementation capability in the short term as well long term increased data maintenance.

Sustainability Management

As species in the QMS increases and stock strategies and fish plans are developed there will be a long-term need for increased research for stock assessment and advice on sustainability within these fisheries. This strategy also creates a requirement is to increase Ministry's focus to a more proactive monitoring and risk evaluation role to identify and avoid potential sustainability issues.

International Obligations

New Zealand must meet its international obligations to conserve and manage international fisheries by:

- Ratifying the Western and Central Pacific Fisheries Convention.
- Participating in the work of the Convention's soon to be established Commission.
- Discharging its flag State obligations as a specified in the 1995 UN Fish Stocks Agreement and the Western and Central Pacific Fisheries Convention.
- Participating in the development and ratification of other conservation arrangements that impact directly on the Western and Central Pacific Fisheries Convention.
- Participating in the Commission for the Conservation of Southern Bluefin Tuna.

New Zealand has an obligation to cooperate with other nations in the establishment of conservation and management regimes governing high seas fisheries and the effects of those fisheries on the environment. In the case of straddling stocks and highly migratory stocks the 1995 UN Fish Stocks Agreement requires States to adopt conservation and management measures to ensure the long term sustainability of fish stocks and to promote the objective of optimum utilisation. The 1982 UN Convention requires the establishment of conservation measures to produce the maximum sustainable yield for high seas stocks.

In the World Summit on Sustainable Development's Implementation Plan, countries (including New Zealand) committed themselves to sustainable fisheries by taking actions to, *inter alia*, "ratify or accede to and effectively implement the relevant United Nations and, where appropriate, associated regional fisheries agreements or arrangements..." The Western and Central Pacific Fisheries is just such a regional fisheries agreement.

The Western and Central Pacific Fisheries Convention, to which New Zealand is a signatory and was a lead country in negotiating, is likely to enter into force in the next two to three years. Ratifying the Convention will place a new suite of obligations on the Ministry of Fisheries. The obligations will relate to participation in the work of the Western and Central Pacific Fisheries Commission (Commission level, Scientific Committee and Technical and Compliance Committee). Decisions made in the Commission will have implications for New Zealand's management of its fishers and of the resources that migrate through its jurisdiction. These activities are new and will require additional and ongoing funding.

b) Commission for the Conservation of Southern Bluefin Tuna (CCSBT)

In the absence of an agreement by the CCSBT on the level of the Total Allowable Catch (TAC), Japan unilaterally implemented an Experimental Fishing Programme (EFP) in mid-1998. In reaction to Japan's unilateral EFP, New Zealand and Australia initiated dispute resolution proceedings under the 1982 UN Convention. Following the Arbitral Tribunal's decision, the Parties met to agree a resolution to the dispute. A key outcome of the meeting

was Japan's confirmation that it would refrain from a further unilateral EFP and work cooperatively with all Parties to develop an agreed Scientific Research programme (SRP).

The agreed SRP has three main components:

- 1 Characterisation and quantification of the overall catch
- 2 Implementation of an extensive tagging programme
- 3 Implementation of a more complete scientific observer programme

The additional funding will allow New Zealand to meet its obligations to the CCSBT to fund its share of the SRP as well as conduct a complimentary tagging programme. This cannot be covered within the present research programme.

Public Awareness

On the international stage, New Zealand is widely regarded as one of the world-leading nations in successful fisheries management. Domestically, the perceptions are very different. At least three significant investigations conducted since 1999 have highlighted a lack of communication and the prevalence of misinformation and misunderstandings about the way that New Zealand's fisheries are managed.

Communication and understanding is fundamental to creating legitimacy. A key initiative identified in the draft Ministry of Fisheries strategic plan for 2003 – 2008 is the need to improve New Zealanders understanding of fisheries management frameworks and the effectiveness of our external communications.

This requires the Ministry to implement a programme to monitor fisheries management outcomes, to measure what impact fisheries management policies are having on its socio-economic objectives and provide the public with evidence of its successes as well as being a learning tool to improve future policy development.

The objective is to build public confidence and understanding in the way that government manages fisheries, and increase understanding of the environmental, social and economic benefits generated through effective management.

Benefits

The benefits of delivering on this proposal are that:

Policy Development

Approval of the policies will enable the Ministry to have capability to undertake the following strategic policy areas:

- Better implementation of partnership obligations and delivery on current statutory obligations (including providing for input and participation)
- Improved management of freshwater fisheries
- Management of species outside the QMS
- Improved provisions for non-extractive use of fisheries resources;
- Enhancement to the cost recovery framework
- Management of bio-prospecting;
- Improved customary regulation framework;

- Development of mechanisms to promote collective accountability and decision making by stakeholders;
- Monitoring frameworks for the implementation of Treaty settlements and Fisheries Act Treaty obligations

Policy Implementation

The proposals provide a significant increase in the Ministry's capability to undertake both current operational imperatives and to effectively support the Ministry's implementation of its 2003-08 strategic plan. Approval of the proposals will allow the Ministry to enhance its existing activities in the following areas:

- Manage increasingly complex concurrence requests for marine reserve applications;
- Increased capability to provide management responses to fishing interactions with marine mammals, seabirds and habitats;
- To develop stock strategies and to provide technical advice in the development of fisheries plans
- Greater analysis capability on sustainability measures;
- To manage, short-term, the impacts of QMS introductions on other operational activities;
- To enable the classification of ecosystems and habitats in support of the Marine Protected Areas Strategy
- To increase the capability of the Science team to undertake increased obligations in stock assessment, research planning, research contract tendering and monitoring;
- To enhance the Ministry's capability to provide improved estimates of recreational fisheries harvest
- To develop of a high quality public awareness strategy to build public confidence in and understanding of the way that Government manages fisheries
- To provide resources necessary for the compliance business to support effective fisheries management in those fisheries where poaching and black market activities threaten to undermine the integrity of the fisheries management regime.
- enhanced fishery management outcomes:
 - in the short term providing for participation, increased acceptance and support for the fisheries management regime thereby increasing voluntary compliance, and increasing the likelihood stakeholders will work constructively together;
 - in the medium term increasing stakeholder capability to engage in fisheries management and take on increasing responsibility enabling the Government to use its resources to focus on core roles.

Policy Monitoring

- To fund increased registry services costs and to provide capability to monitor and audit registry service delivery
- To allow active and proactive monitoring of fisheries management outcomes and to evaluate fisheries management policies and frameworks;
- To increase the capability of the Science team to input into environmental management marine protected areas development and corporate reference data functions

3 Links with other Agencies/Government initiatives or bids

There are many Ministry of Fisheries strategic initiatives operating in conjunction with other Government agencies (primarily the Department of Conservation) this initiative is independent of any existing or new resource requirements of other agencies

4 Risks

Failure to adequately manage these areas would result in:

- There are risks that resources provided by Government will not be utilised in a constructive manner, or will not be used effectively to build capability in representative groups. These risks can be addressed by linking funding to the achievement of deliverables, providing the funding only to support constructive initiatives or processes, and ensuring that the funding recipients are able to demonstrate accountability and that they are representative of their group/sector.
- Failure to effectively provide for the input and participation of tangata whenua will create legal risks for the Government.
- A risk to the efficient use and management of fisheries rights.
- A risk arises if marine reserves are established in areas that do not realize a correspondingly higher protection value than can be derived from sustainable use of fisheries resources.
- Statutory obligations may not be met and output is inconsistent with Government and Ministry goals.
- Poor public perception of commercial and non-commercial fishing and the Ministry's ability to address environmental issues. In some cases litigation risk may be involved if issues are not addressed.

Management of fishstocks continues in an uncoordinated manner, as information and management needs for fishstocks are not identified.

Wider Sector Capability

The Ministry's proposals include initiatives aimed at directly building capability within stakeholder groups to increase their ability to participate and increasingly undertake roles in fisheries management. The engagement by recreational, commercial and environmental stakeholders, and Maori, in fisheries management processes is central to the strategic direction determined for fisheries management.

It is intended that people with rights to harvest fisheries have responsibility, and are held accountable, for the management of those rights, within environmental limits and standards set by Government. It is envisaged that the Crown and Maori work in partnership to ensure the goal of sustainable use of fisheries and protection of the aquatic ecosystem. Similarly, the Ministry intends to work closely with commercial, recreational and environmental stakeholders to achieve the same goal.

The programme to facilitate a sector capability build has been organised into two proposals, each with a number of components;

- (a) Implementing the Treaty Strategy
 - i. training initiative
 - ii. resourcing engagement in regional forums

- (b) Sector engagement in fisheries management
 - i. effective participation in the development of fisheries management standards,
 - ii. supporting the formation of representative groups,
 - iii. resourcing participation in the development of fisheries plans
 - iv. training programmes

(a) Implementing the Treaty Strategy

The Crown has a number of obligations arising from the fisheries settlement. These obligations are contained in or derive from the Maori Fisheries Act 1989, the 1992 Deed of Settlement, the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992, the Fisheries Act 1996 and the principles of the Treaty of Waitangi. The Ministry's approach to meeting its obligations is found wanting in the area of its overall relationship with Maori. Meeting those obligations involves interaction with Maori groups, and unless those interactions are positive and meaningful then the Ministry will not be delivering on its obligations to Maori and will not fully realise the potential of the 1992 fisheries settlement.

There are two components to this proposal:

Training – To provide training to tangata kaitiaki and hapu/iwi fisheries representatives on fishing practices and fisheries management processes that are relevant to their regions. This objective would address in part obligations under section 12 of the Fisheries Act to provide for the input and participation in fisheries processes, provide for the recognition of the use and management practices of Maori (section 10(b) of the Treaty of Waitangi (Fisheries Claims) Settlement Act) and obligations under section 33 and 38 of the customary fishing regulations to provide information and assistance to kaitiaki for the proper administration of the customary fishing regulations;

Resourcing – To provide support to hapu/iwi representatives to enable them to have effective input into and participate in fisheries management processes. Such assistance would take two forms:

- i) assistance to meet with the MFish businesses on a regional basis;
- ii) technical support to enable hapu/iwi representatives to develop a common policy approach to fisheries management issues in their region and to engage with MFish at regional meetings on that basis.

(b) Improved sector training

Improved sector engagement in fisheries management will be supported by four linked components;

- a. effective participation in the development of fisheries management standards,
- b. supporting the formation of representative groups,
- c. resourcing participation in the development of fisheries plans
- d. training programmes.

Effective participation in the development of fisheries management standards

This initiative will enable the participation of stakeholder groups in the development of standards that will be applied to fisheries management strategies, including:

- i. fisheries plans
- ii. MFish stock management strategies
- iii. statutory decisions

The Fisheries Act 1996 Amendment Act 1999 introduced fisheries plans. These are intended to be developed and implemented by the stakeholder groups in a fishery, and approved by the Minister, who must take them into account in subsequent decisions. MFish will need to evaluate these plans, to advise the Minister on whether to approve them, and needs standards against which the elements of a plan can be evaluated.

Fisheries plans are unlikely to be practical in all fisheries, and may take a long time to implement in many of them. MFish is embarking on the development of “stock management strategies”, which set out the “default” strategy for the management of a fishery not covered by a fisheries plan. These internal strategies, and MFish regulatory advice, should be subject to the same standards as a fisheries plan submitted by stakeholders.

The standards against which fisheries plans and stock management strategies need to be evaluated against, are to be developed by MFish in consultation with stakeholders. MFish is allocating the resources to carry out its own part of the work, but is not able to provide resources to stakeholders to participate. Lack of participation may lead to a lack of support amongst stakeholder groups, for the standards that are developed, and hence for the plans and strategies that are evaluated against them.

The development of standards is expected to take up to three years. Funding will be required for that period.

The major benefit expected from an overall improvement in stakeholder participation in fisheries management, and especially fisheries plans, is that the process gains a greater level of legitimacy amongst stakeholders, and a greater level of voluntary compliance. This should lead to better sustainability and environmental outcomes, as well as savings in the costs of enforcement. Improved participation at a local level will allow decisions to reflect local circumstances, with the potential for better decisions to be made than under a “one size fits all” approach.

(b) Supporting the formation of representative groups,

The recreational and environmental sectors are generally represented and participate to a limited extent in Ministry processes including the development of policy frameworks and legislation, the fisheries management processes including the annual sustainability measures processes, regulatory process including the environmental impact of fishing, and the research planning and review process.

The purpose of this initiative is to build the necessary capability to participate in fisheries management processes at a meaningful level. Should funding be available from Government for this purpose, it would be most constructive to engage with the two sectors and discuss the most effective means to develop representative organisations to participate in fisheries management. Options would include supporting a “peak” or national representative body, regional bodies coinciding with some sensible geographic bodies for fisheries management, or other funding for issues of particular relevance such as research or specialist legal advice.

(c) Resourcing participation in the development of fisheries plans

As noted above, the Fisheries Act now provides a statutory mechanism, fisheries plans, to enable stakeholder groups to take the responsibility to develop and implement strategies to manage particular fisheries or areas within a framework and standards created by Government. Fisheries plans are the key vehicle, outside of the customary fishing provisions such as mātaítai and Taiapure, by which fisheries stakeholders can take on fisheries management responsibilities instead of central Government.

Fisheries plans have great potential to achieve better outcomes than are currently possible by the use of resources committed to Government processes because

- i. costs of meeting statutory obligations could be reduced if stakeholders are able to assume responsibility for finding ways to meet those obligations
- ii. there is potential for reduced levels of conflict over allocation issues if access arrangements can be agreed between those with competing interests
- iii. there is opportunity for fisheries stakeholders to define their own priorities, and tailor strategies to particular fisheries and interests

(d) training programmes

The purpose of this component of the sector capability initiative is to support constructive engagement of stakeholders in fisheries management processes, particularly the development of fisheries plans. Increasing the level of understanding of fisheries management so that stakeholders can participate more effectively will facilitate better outcomes by providing for a consistent information base with which to engage in participation in Government process, including a broad understanding of the tools available for fisheries management, and taking management initiative through the development and implementation of fisheries plans.

This component would provide training through the development and provision of courses for stakeholder representatives, nominated by their sector, who will be involved in the development and/or implementation of a fisheries plan. The design of this programme would build on the training programmes designed to as part of the implementation of the Treaty Strategy. This component could also fund a limited number of participants from each sector annually to the Australian Maritime College short course “Fisheries Management”, or a similar course provided in New Zealand.

Summary of proposals

The summary tables below cover the estimated costs for the proposals (table A) and the additional staffing required on a full time equivalent basis (FTE).

Stakeholders are strongly advised to note that these proposals form part of the 2003/04 Budget round and that their inclusion in this document is for consultation purposes only. There is no inference that all or any of the proposals will be approved. Final decisions on them will be made as part of the Budget process.

Table A

\$million (GST excl)	2003/04	2004/05	2005/06	Ongoing
Ministry Capability Build				
International management of highly migratory species	0.710	0.923	0.923	0.939
Increased Fisheries Management capability	0.648	0.785	1.250	1.226
Increased Policy Management capability	0.485	0.520	0.884	0.853
Increased Science capability	0.277	0.463	0.440	0.452
Increased Registry Services	0.144	0.196	0.197	0.203
Implementation of Marine Protected Areas	0.0	1.088	1.539	1.546
Public awareness strategy	0.260	0.244	0.246	0.202
Estimates of recreational harvest	0.250	0.500	1.000	1.500
Health & Safety	0.747	1.625	2.338	2.252
Poaching & black market enforcement	0.0	1.284	1.315	1.318
	3.521	7.628	10.132	10.491
Sector Capability Build				
Sector participation	0.365	0.825	2.994	1.994
Implementation of Treaty Strategy	1.137	1.572	1.412	1.472
	1.502	2.397	4.406	3.466
TOTAL	5.023	10.025	14.538	13.957
Crown Funded	4.377	8.743	12.982	12.424
Industry Funded	0.646	1.282	1.556	1.533

Included in the above costs is an estimate of overheads and essential infrastructure costs for each of the proposals.

Table B

FTEs	2003/04	2004/05	2005/06	Ongoing
Ministry Capability Build				
International management of highly migratory species	4	4	4	4
Increased Fisheries Management capability	6	8	12	12
Increased Policy Management capability	3	3	6	6
Increased Science capability	3	4	4	4
Increased Registry Services	1	1	1	1
Implementation of Marine Protected Areas	0	3	3	3
Public awareness strategy	1	1	1	1
Estimates of recreational harvest	0	0	0	0
Health & Safety	11.5	18.5	26.5	26.5
Poaching & black market enforcement	0	13	21	21
	29.5	55.5	78.5	78.5
Sector Capability Build				
Sector participation	0	2	3	3
Implementation of Treaty Strategy	10	10	10	10
	10	12	13	13
TOTAL	39.5	67.5	91.5	91.5

Criteria for Assessing the Quality of Policy and Reports

Assessing the quality of policy and reports developed by the Ministry is a subjective evaluation of the standard against predetermined quality criteria. The following criteria form the basis for gauging whether a policy or report meets the quality characteristics set by the Ministry and is to be used when measuring output delivery related to policy. It is intended that the assessment of quality will be determined through administering satisfaction surveys.

Purpose

The aim or purpose of the policy/report is clearly stated and it answers the questions set.

Logic

The assumptions behind the policy/report are explicit and the argument logical and supported by the facts.

Accuracy

The facts in the policy/report are accurate and all material facts are included.

Options

An adequate range of options has been presented and the benefits, costs and consequences of each option are clearly outlined.

Consultation

The Ministry has consulted with other government agencies and other affected stakeholders (where appropriate) and possible objections to proposals/content are identified.

Practicality

The problems of implementation, technical feasibility, timing or consistency with other policies/reports have been considered.

Presentation

The format meets the stipulated requirements; the material is effectively, concisely and clearly presented; has short sentences in plain English and is free of grammatical or spelling errors.

Quality management

The product quality is to be supported by a quality management process including:

- external review of scope and methodology for major analytical work
- circulation of drafts for critiquing by other government agencies and other affected stakeholders as appropriate
- internal peer review and checking procedures
- adherence to the Ministry's policy framework
- consistency with relevant legislative obligations and adherence to the Ministry's policy frameworks.

Summary of Forecast Expenditure by Output Class

The output classes for the 2003/2004 financial year are unchanged from those used for the 2002/03 year. Outputs may, in future, be grouped under different classes once the performance management system is further developed.

There are three specific changes in the output structure.

- 1 Output 231 – Contracts administered has been included in output 211 – Utilisation and sustainability of New Zealand’s fisheries resources measured.

The work performed in delivering this output is more appropriately classified as overhead to the research management process where it is now spread proportionally over all research projects.

- 2 Outputs 711, Biosecurity advice provided, 712 Biosecurity regulatory controls provided and 713, Biosecurity rules enforced have been incorporated into one new output 71 Biosecurity policy.

Biosecurity research delivered has been retained as a separate output 72.

- 3 Output 141, Oceans Management: the co-ordination of the Oceans Policy programme has been shifted to the Ministry for the Environment. Funding for the MFish work on this is in output 11 Utilisation and sustainability policy advice provided.

The output class and output structure to be adopted for 2003/04 along with the indicative costs for each output is shown in the table overleaf. The indicative cost for each output includes the estimated costs for the proposed new initiatives for 2003/04.

Unless otherwise stated all financial information is in \$000s and is GST exclusive.

2003/04 Output Class and Output Structure

Output			Indicative Cost
Class	No	Name	
1	11	Utilisation and sustainability policy advice provided	2,635
	12	International utilisation and sustainability advice provided	704
	13	Biodiversity advice provided	491
	15	Ministerial services provided	513
Total			4,343
2	21	Utilisation and sustainability of NZ's fisheries resources measured	21,824
	22	Biodiversity of NZ's marine environment estimated	3,333
	24	Observer services provided in response to requests by the Ministry	1,433
	25	Observer services provided in response to requests from the industry	554
Total			27,144
3	31	Utilisation and sustainability reported	6,498
	32	International utilisation and sustainability reported	761
	33	Customary applications processed	1,780
	34	Cost Recovery process managed	455
Total			9,494
4	41	Statutory decision processes administered	1,327
	42	Registry Services managed	6,974
Total			8,301
5	51	Commercial fishing rules enforced	7,798
	52	Customary fishing rules enforced	3,434
	53	Recreational fishing rules enforced	3,046
	54	NZ international fishing rules enforced	832
	55	Black market and poaching activities deterred	3,605
Total			18,715
6	61	Prosecutions managed	3,621
Total			3,621
7	71	Biosecurity policy advice	442
	72	Biosecurity research delivered	1,776
Total			2,218
Total Business Plan			73,836

Output Class D1 – Policy Framework

Description

This output class includes the outputs that ensure the development and review of policies to underpin the legal and conceptual framework for the sustainable and efficient utilisation of fisheries and guide the implementation of policy.

Objectives

- Provide and improve a conceptual and legal framework for the sustainable and efficient utilisation of fisheries resources.
- Participate in the development and review of international frameworks and implement the decisions in a domestic context.
- Provide services to the Minister of Fisheries and Select Committees as required.

Funding

Output Class 1: Policy Framework		2001/2002 Actual	2002/2003 Budget	2003/2004 Plan	Change 02/03- 03/04
Revenue					
	Crown	4,186	4,109	4,343	234
	Other	1	0	0	0
Total revenue		4,187	4,109	4,343	234
Output expenses					
11	Utilisation and sustainability policy advice provided	2,121	2,123	2,635	(512)
12	International fisheries utilisation and sustainability advice provided	461	471	704	(233)
13	Biodiversity advice provided	170	452	491	(39)
14	Oceans management strategy process supported	684	500	0	500
15	Ministerial services provided	820	563	513	50
Total expenses		4,256	4,109	4,343	(234)

The following new initiatives will, if approved, impact on this output class:

- International management of highly migratory species
- Increased policy capability;
- Fisheries management public awareness strategy.

The estimated cost of these initiatives is \$995, which is fully Crown funded.

Explanation of significant year on year changes

Output 11 reflects:

- A reduction due to a realignment of fisheries management effort into output 31 “Utilisation and sustainability reported” in Output class 3.
- Increases due to the effects of the new initiatives listed above.

Output 12 reflects:

- Increases due to the effects of the new initiatives listed above.

Output 14

- The co-ordination of the Oceans Policy programme has been transferred to the Ministry for the Environment. The MFish work on this is in output 11, “Utilisation and sustainability policy advice provided”.

Output 11 – Utilisation and sustainability policy advice provided		2002/03		2003/04	
		Budget 2,123		Budget 2,635	
		Industry	%	Industry	%
		0	0	0	0
Output Description Review, develop and provide policy advice to enable the sustainable and efficient utilisation of fisheries resources.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				≥90%
Cost	% variance actual vs. budget				≤5%
Time	% of agreed milestones achieved				≥90%
Linkage to contributing outcomes Under this output a range of projects produce advice to develop new fisheries management frameworks, which contributes to all three of the contributing outcomes.					

Milestone		Due Date
1	Policy advice provided to Select Committee to support their consideration of aquaculture reform legislation	In accordance with Select Committee timetable
2	Provide a report on a risk management process to evaluate the relative priority of outputs	30 June 2004
3	Report to Government on the outcome of public consultation on recreational fisheries reform	28 February 2004
4	Provide advice to Government on recreational fisheries reform	30 March 2004
5	Policy advice provided to Select Committee to support their consideration of the Maori Fisheries Bill	In accordance with Select Committee timetable
6	Report provided to Government that evaluates achievement of fisheries management outcomes	30 June 2004
7	Policy advice provided to Select Committee to support their consideration of an aquaculture allocation to Maori	In accordance with Select Committee timetable
8	Provide advice to Government on the reform of the cost recovery framework	30 December 2003
9*	Develop policy framework to support stakeholder collective decision making	30 June 2004
10*	Develop advice on options to manage non-extractive use of fisheries resources	30 June 2004

* Items 9 and 10 will depend on the provision of new initiative funding.

Output 12 – International fisheries sustainability and utilisation advice provided		2002/03		2003/04	
		Budget 471		Budget 704	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
New Zealand fisheries management interests are protected and promoted through development of international frameworks and the ratification of international arrangements.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% of agreed milestones achieved				≥80%
Linkages to Contributing Outcome					
This output links to the Contributing Outcome related to “Best value from the sustainable and efficient use of fisheries obtained” through the development and ratification of frameworks and arrangements for international fisheries.					

Milestone		Due Date
1	Finalise and implement a strategy approved by the Minister for New Zealand’s involvement in international fisheries.	30 June 2004
2	Provide an active and constructive contribution to the development of a regional fisheries arrangement for the South West Indian Ocean, with New Zealand’s position on issues to be negotiated approved by the Minister prior to presentation to international fora.	Two weeks prior to negotiating meetings
3	New Zealand position paper on the future work plan of the OECD Fisheries Committee developed for submission to the Committee, with New Zealand’s position on issues to be negotiated approved by the Minister prior to presentation to international fora.	One week prior to meeting
4	Advice provided to the Minister on New Zealand accession to the Federated States of Micronesia Fisheries Arrangement.	30 June 2004

Output 13 – Biodiversity advice provided		2002/03		2003/04	
		Budget 452		Budget 491	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
Provide advice and manage contracts to meet New Zealand Biodiversity Strategy objectives					
Performance Expectations				Target	
Quality	% of agreed milestones achieved to specified quality standards			≥90%	
Cost	% variance actual vs. budget			≤5%	
Time	% of agreed milestones achieved			≥90%	
Linkage to contributing outcome					
Under this output biodiversity projects produce advice supporting each of the three contributing outcomes.					

Milestone		Due Date
1	Report on the Ministry of Fisheries implementation of the New Zealand Biodiversity Strategy	Quarterly

Output 15 – Ministerial services provided		2002/03		2003/04	
		Budget 563		Budget 513	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
Services provided to the Ministers responsible for Vote Fisheries. These include drafting of reports, replies to Ministerial correspondence, providing responses to Parliamentary questions and attendance at Select Committees as required.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% of agreed milestones achieved				100%
Linkage to contributing outcome					
This output provides a number of services to the Minister and Associate Minister of Fisheries and supports each of the three contributing outcomes.					

Performance Measures		Time	Quality
1	Ministerial replies	95% of drafts completed within 15 days of receipt All urgent letters responded to within five days All replies to parliamentary questions delivered on the day specified	97% of drafts approved by the Minister 97% of drafts approved by the Minister All responses accurate
2	Advice and reports for Select Committees and Cabinet Committees	Provide within the timeframes specified by the Committee	Provide to the standard specified by the Committee
3	Draft speeches	Provide five working days before the event	Provided to the standard specified by the Minister

Output Class D2 – Fisheries information and monitoring

Description

This output class covers research and other service outputs relating to gathering and analysing data about New Zealand's fisheries to support decisions about sustainable utilisation and the provision of information on the biodiversity of New Zealand's marine environment.

Research costs represent existing projects that have been consulted on in past years and proposed new projects.

Objectives

- Provide the information required to ensure the sustainable utilisation of New Zealand's fisheries resources.
- Manage fisheries to provide a contribution to the contributing outcomes through sustainable utilisation by scientifically evaluating:
 - sustainable yields from, and status of, fisheries resources
 - the effects of fishing on the aquatic environment, including on the viability of associated or dependent species and on biological diversity
 - alternative strategies for achieving the desired level of yield while avoiding, remedying or mitigating adverse effects of fishing on the aquatic environment
 - analysis of relevant cultural factors that may need to be included in the management decision process
 - the specific measures needed to implement the appropriate management strategy.

Funding

Output Class 2: Fisheries information and monitoring		2001/2002 Actual	2002/2003 Budget	2003/2004 Plan	Change 02/03-03/04
Revenue					
	Crown	23,899	25,305	26,590	1,285
	Other	1,024	468	554	86
Total revenue		24,923	25,773	27,144	1,371
Output expenses					
21	Utilisation and sustainability of New Zealand's fisheries resources measured	18,331	21,621	21,824	(203)
22	Biodiversity of New Zealand's marine environment estimated	1,053	2,181	3,333	(1,152)
24	Observer services provided in response to requests by the Ministry	1,151	1,432	1,433	(1)
25	Observer services provided in response to requests from the industry	992	539	554	(15)
Total expenses		21,527	25,773	27,144	(1,371)

The following new initiatives will, if approved, impact on this output class:

- International management of highly migratory species
- Increased capability of science team;
- Contract Registry services and capability build
- Estimates of recreational harvest.

The projected cost of these initiatives is \$781, of which \$231 is subject to cost recovery from industry.

Explanation of significant year on year changes

Output 22

- The 2000 Budget package included nine new initiatives as part of Government's Biodiversity Strategy. In 2003/04, there is a major increase for output 22, "Biodiversity of New Zealand's marine environment estimated", through the significant additional funding for the 'Biodiversity of the Ross Sea' initiative.

Output 23

- Was included in the 2002/03 business plan at an amount of \$373. For 2003/04, the funding for this output has been included in output 21 – "Utilisation and sustainability of New Zealand's fisheries resources measured", as it represents an overhead cost for the research services. The 3% reduction in costs from 2002/03 to 2003/04 reflects a minor change in the activity required to administer the research projects.

Output 21 - Utilisation and sustainability of NZ's fisheries resources measured		2002/03		2003/04	
		Budget 21,621		Budget 21,824	
		Industry	%	Industry	%
		16,506	76	15,179	70
Output Description					
Stock assessment reports produced on:					
<ul style="list-style-type: none"> estimates of biomass and sustainable yields for Fishstocks effects of fishing on the aquatic environment, including biodiversity and bycatch species relevant social, cultural and economic factors that may be included in the management decision process non-commercial harvest levels 					
Research reports produced on:					
<ul style="list-style-type: none"> strategic research directions medium term research plans research proposals for 2003/04 					
Performance Expectations					Target
Quality	% of milestones achieved to specified quality standards				100%
Cost	% variance of research project costs vs. budgeted cost (on an individual project basis)				≤10%
Time	% of milestones 1-3, 5 and 6 achieved				100%
	% of milestone 4 achieved				90%
	% of milestone 7				80%
Linkage to contributing outcome					
This output links directly to each of the three contributing outcomes through:					
<ul style="list-style-type: none"> obtaining and managing information on the sustainability of fisheries resources; measuring sustainability against sustainability targets established by the Fisheries Act 1996; providing advice to fisheries managers and decision makers on revised sustainability measures. 					

Milestone		Due Date
1	Report from the Mid-Year Fishery Assessment Plenary produced in accordance with the quality standards as defined in the Fisheries Research Services 2003/2004 Tender Document. Part II: A – Appendix II B, Form 2 and Appendix III B.	21 November 2003
2	Audit of quality of data supplied by research providers completed in accordance with the quality standards are defined in the Fisheries Research Services 2003/2004 Tender Document – Part II: A – Section 2.5.	28 November 2003
3	Research proposals for 2004/05 produced in accordance with the quality standards are defined in the document “Format and Content of Project Summaries and Medium Term Plans prepared by the Research Planning Groups” dated 30 July 2002 and held in the Science Team directories.	5 December 2003
4	Research tender released in accordance with the quality requirements as defined in the “Catch and Effort Data Quality Specifications and Standards”.	20 December 2003
5	Replacement catch effort forms for two fisheries developed in accordance with the quality standards are defined in the “Catch and Effort Data Quality Specifications and Standards”.	1 May 2004
6	Report from the Fishery Assessment Plenary produced in accordance with the quality standards as defined in the Fisheries Research Services 2003/2004 Tender Document. Part II: A – Appendix II B, Form 2 and Appendix III B.	30 May 2004
7	Medium Term Research Plans produced in accordance with the quality standards are defined in the document “Format and Content of Project Summaries and Medium Term Plans prepared by the Research Planning Groups” dated 30 July 2002 and held in the Science Team directories.	27 June 2004

Output 22 – Biodiversity of New Zealand’s marine environment estimated		2002/03		2003/04	
		Budget 2,181		Budget 3,333	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
<p>Scientific reports produced on:</p> <ul style="list-style-type: none"> • descriptions of selected marine communities • species composition, abundance and richness • tools for collection of marine biodiversity data <p>Research reports produced on:</p> <ul style="list-style-type: none"> • strategic research directions • medium term research plans • research proposals for 2003/04 					
Performance Expectations					Target
Quality	% of milestones achieved to specified quality standards				100%
Cost	% variance of research project costs vs. budgeted cost (on an individual project basis)				≤10%
Time	% of milestones achieved				100%
Linkage to contributing outcome					
<p>This output links directly to each of the three contributing outcomes through the provision of information necessary to establish the targets for measuring “sustainability” of fisheries resources and also providing the information to determine if these targets have been achieved.</p>					

Milestone		Due Date
1.	Medium term research plans produced in accordance with the quality standards as defined in the document “Format and Content of Project Summaries and Medium Term Plans prepared by the Research Planning Group” dated 9 July 2001 and held in the Science Team directories.	By September 2003
2.	Research proposals for 2004/05 produced in accordance with the quality standards as defined in the document “Format and Content of Project Summaries and Medium Term Plans prepared by the Research Planning Group” dated 9 July 2001 and held in the Science Team directories.	By February 2004

Output 24 – Observer services provided in response to requests by the Ministry		2002/03		2003/04	
		Budget 1,432		Budget 1,433	
		Industry	%	Industry	%
		1,432	100	1,433	100
Output Description					
Observers deployed and data collated in response to Ministry requests.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% milestones achieved				100%
Linkage to contributing outcome					
The observer programme contributes to each of the three contributing outcomes through the collection of information to support our science, fisheries management and compliance processes.					

Milestone		Due Date
1	The annual observer plan will be driven by other agencies and Ministry science, compliance and fisheries management requirements. The plan will clearly state: (a) priorities (b) timeframes (c) resource requirements (d) performance measures (e) process for monitoring and reviewing the plan	1 July 2002
2	90% of planned observer days provided	30 June 2003
3	90% of data collected according to standards in plan	30 June 2003
4	Annual report of observer activity developed to include a summary of key activities and outputs and a statement of performance against the annual observer plan	31 July 2003

Output 25 – Observer services provided in response to requests from the industry		2002/03		2003/04	
		Budget 539		Budget 554	
		Industry	%	Industry	%
		539	100	554	100
Output Description					
Observers deployed and data collated in response to industry requests.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% milestones achieved				100%
Linkage to contributing outcome					
The observer programme contributes to each of the three contributing outcomes through the collection of information to support our science, fisheries management and compliance processes.					

Milestone		Due Date
1.	Responses provided to 100% of industry requests. The responses will confirm whether or not the observer days can be provided	Within 5 days of request
2.	95% of invoices for within zone trips dispatched	Within 10 working days of trip end
3.	Annual report of observer activity developed to include a summary of key activities and outputs and a statement of performance against milestones	31 July 2003

Output Class D3 – Regulatory management

Description

This output class covers the outputs that assist in developing guidelines, regulations and processes, which make the fisheries policy framework operational.

Objectives

- provide advice to support sustainable fisheries
- assess special fisheries access requests
- provide support for international fisheries arrangements
- advise on legislative and government regulatory processes
- manage the cost recovery process.

Funding

Output Class 3: Regulatory management		2001/2002 Actual	2002/2003 Budget	2003/2004 Plan	Change 02/03-03/04
Revenue					
	Crown	6,298	6,368	9,494	3,126
	Other	2	0	0	0
Total revenue		6,300	6,368	9,494	3,126
Output expenses					
31	Utilisation and sustainability reported	3,720	3,799	6,498	(2,699)
32	International utilisation and sustainability reported	520	578	761	(183)
33	Customary applications processed	1,087	1,473	1,780	(307)
34	Cost recovery process managed	342	518	455	63
Total expenses		5,669	6,368	9,494	(3,126)

The following new initiatives will, if approved, impact on this output class:

- International management of highly migratory species
- Increased fisheries management capability
- Sector participation in fisheries management
- Implementation of Treaty Strategy

The projected cost of these initiatives is \$2,400, which is fully Crown funded. This amount is divided as follows:

- | | |
|--|---------|
| • International management of highly migratory species | \$250 |
| • Building Ministry capability | \$648 |
| • Building sector capability | \$1,502 |

Explanation of significant year on year changes

Output 31 reflects:

- Increases due to the proposed new initiatives as listed above; and
- An increase due to a realignment of fisheries management effort from output 11- “Utilisation and sustainability policy advice provided” in Output class 1.

Output 32 reflects:

- Increases due to the proposed new initiatives as listed above.

Output 33 reflects:

- An increase in direct effort for the Treaty Relationship Strategy. The balance of the Treaty Relationship Strategy costs are spread across all outputs as the strategy supports all Ministry activities.

Output 31 - Utilisation and sustainability reported		2002/03		2003/04	
		Budget 3,799		Budget 6,498	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
Reports provided to the Minister evaluating stock assessment advice, and stakeholder views and providing recommendations on utilisation and sustainability of fisheries resources.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards.				100%
	% of critical standards achieved to quality standards specified				>95%
Cost	% variance budget vs. actual				≤5%
Time	% of milestones achieved				≥95%
	% of relevant critical standards achieved				100%
Linkage to contributing outcome					
This output contributes to each of the three contributing outcomes through:					
<ul style="list-style-type: none"> • the approval of sustainability plans for fisheries, and the setting of sustainability measures such as total allowable catch and area closures; • the allocation of harvesting rights; and • meeting obligations to involve tangata whenua in fisheries management decision-making, and deliver 20% of new quota to Maori. 					

Milestone		Due Date
1.	Advice provided by the Ministry to the Minister of Fisheries on marine reserve proposals for which the Minister's concurrence has been sought by the Minister of Conservation.	Within 14 weeks of receipt of proposal
2.	Gazette notice for TACs/TACCs for new species to be introduced into the Quota Management System on 1 October 2003.	31 July 2003
3	Final advice to the Minister on the proposed sustainability measures and management controls to be implemented on 1 October 2003.	31 August 2003
4	Gazettal of new or amended TACs and TACCs as a result of the Minister's decisions on proposed sustainability measures and management controls for implementation on 1 October 2003.	30 September 2003
5	Gazette notice under section 18 of the Fisheries Act 1996 declaring the species to be introduced into the Quota Management System on 1 October 2004.	31 October 2003
6	Gazette notice for TACs/TACCs for new species to be introduced into the Quota Management System on 1 April 2004.	28 February 2004
7	Gazette notice under section 18 of the Fisheries Act 1996 declaring the species to be introduced into the Quota Management System on 1 April 2005.	28 February 2004
8	Final advice to the Minister on the proposed sustainability measures and management controls to be implemented on 1 April 2004	28 February 2004
9	Gazettal of new or amended TACs and TACCs as a result of the Minister's decisions on proposed sustainability measures and management controls for implementation on 1 April 2004.	31 March 2004

Output 32 - International utilisation and sustainability reported	2002/03		2003/04	
	Budget 578		Budget 761	
	Industry	%	Industry	%
	0	0	0	0
Output Description				
Managing existing regional fisheries arrangements, including: <ul style="list-style-type: none"> • Ensuring catch limits are set at sustainable levels • Access and catch allocations for New Zealand are provided • Monitoring New Zealand catch limits • Compliance with catch certification processes • Developing management tools consistent with the New Zealand management approach 				
Performance Expectations				Target
Quality	% of agreed milestones achieved to specified quality standards			100%
Cost	% variance actual vs. budget			≤5%
Time	% of milestones achieved			≥80%
Linkage to contributing outcome				
This output links to the Contributing Outcome related to “Best value from the sustainable and efficient use of fisheries obtained” through the development and ratification of frameworks and arrangements for international fisheries.				

Milestone		Due Date
1	Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR). Applications for permits to authorise New Zealand fishing in Antarctic waters are assessed, and where appropriate, issued.	Within 20 working days from receipt of application
2	Convention for the Conservation of Southern Bluefin Tuna Provide an active and constructive contribution to meetings, with the New Zealand position approved by the Minister prior to presentation to international fora.	Two weeks prior to meeting
3	South Tasman Rise Orange Roughy Arrangement Provide an active and constructive contribution to South Tasman Rise Orange Roughy management meetings, with the New Zealand position approved by the Minister prior to presentation to international fora.	Two weeks prior to negotiating meetings.
4	Western and Central Pacific Fisheries Commission Provide an active and constructive contribution to Precon meetings, with the New Zealand position approved by the Minister prior to presentation to international fora.	Two weeks prior to negotiating meetings.

Output 33 - Customary applications processed		2002/03		2003/04	
		Budget 1,473		Budget 1,780	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
This output covers the receiving of applications from stakeholders to manage customary access, the evaluation of the applications and their subsequent approval or refusal.					
Performance Expectations					Target
Quality	% of critical standards achieved to specified quality standards				≥95%
Cost	% variance actual vs. budget				≤5%
Time	% of milestones achieved				=100%
Linkage to contributing outcome					
This output contributes to the contributing outcome “Obligations to Maori with respect to fisheries are delivered” by providing for and protecting customary fishing rights; and recognising use and management practices of Maori.					

Specification	Standard (timing only) – excludes accuracy measures
Appointment of committee of management	Provide advice to the Minister on nominations for an appointment to a committee of management for a taiapure-local fishery within 40 working days of the deadline for the receipt of such nominations.
Appointment of kaitiaki	<ul style="list-style-type: none"> • details of notification of kaitiaki nominations are to be published within 20 working days of receipt of notification • details of appointment of kaitiaki are to be published in newspapers and the <i>Gazette</i> within 20 working days of appointment • details of cancellation of appointment of kaitiaki and the appointment of replacement kaitiaki are to be published in newspapers and the <i>Gazette</i> within 20 working days of appointment.
Establishment of mātaimai reserve	<ul style="list-style-type: none"> • notice of application of mātaimai reserve to be published within 20 working days of the receipt of application • declaration of a mātaimai reserve to be notified in the <i>Gazette</i> within 20 working days of the decision to declare a reserve • applicant to be notified of decision to decline application within 20 working days of Minister’s decision.
Establishment of taiapure-local fishery	<ul style="list-style-type: none"> • within six months of the receipt of a proposal to establish a taiapure-local fishery, provide advice to the Minister on whether approval in principle should be given to the proposal • provide advice to the Minister on the report and recommendations of the taiapure-local fishery public inquiry into the proposal to establish a taiapure-local fishery, within 60 working days of the Minister receiving such a report.

Customary management proposals	<ul style="list-style-type: none">• advice on proposed mataitai by-law to be provided to the Minister within 30 working days of making of by-law by mataitai management committee• approved by-law to be notified in the <i>Gazette</i>, within 10 working days of the Minister's decision• within three months of the receipt of a formal proposal for a temporary closure, restriction or prohibition, provide advice to the Minister or Chief Executive.
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Output 34 – Cost Recovery Process Managed		2002/03		2003/04	
		Budget 518		Budget 455	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
This output covers the process of determining and consulting on the fisheries management costs that are recovered from the commercial fishing industry.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% of milestones achieved				100%
Linkage to contributing outcome					
This output contributes to each of the three contributing outcomes through the process of consulting on fisheries management costs and determining the cost recovery levies to be imposed for the year.					

Milestone		Due Date
1.	The cost recovery levies for 2003/04 are approved on a basis that is consistent with Part 14 of the Fisheries Act 1996 and the Fisheries (Cost Recovery) Rules 2001.	25 August 2003
2	A Gazette Notice is issued and stakeholders are advised of the new rates	28 August 2003

Output Class D4 – Fisheries access and administration

Description

This output class covers the services associated with monitoring the effectiveness of delivery of contracted and devolved registry services to ensure consistency and compliance with contracted or devolved standards. It includes the management and dissemination of information received from registry agencies for use by the Ministry in managing other output classes. It also includes a number of Ministry statutory decision processes.

Objectives

- to manage the delivery of registry services by the Ministry’s contracted service delivery agency
- to provide advice to the Minister of Fisheries on the performance of transferred registry-based functions, duties and powers by the Approved Service Delivery Organisation
- to undertake robust auditing and monitoring programmes to provide assurance that registry services are provided appropriately
- to complete the phased implementation of the New Registry Programme
- to manage the statutory processes supporting the introduction of new species into the quota management system
- to provide for other services for fishers.

Funding

Output Class 4: Fisheries access and administration		2001/2002 Actual	2002/2003 Budget	2003/2004 Plan	Change 02/03-03/04
Revenue					
	Crown	8,897	7,202	7,894	692
	Other	707	589	407	(182)
Total revenue		9,604	7,791	8,301	510
Output expenses					
41	Statutory decision processes administered	1,689	924	1,327	(403)
42	Registry services managed	7,774	6,867	6,974	(107)
Total expenses		9,463	7,791	8,301	(510)

The following new initiative will, if approved, impact on this output class:

- Contract Registry services and capability build.

The projected cost of this initiative is \$100, which is fully cost recovered from industry.

Explanation of significant year on year changes

Output 41 reflects:

- An increase due to the realignment of fisheries management effort across a number of outputs.

Output 41 – Statutory decision processes administered		2002/03		2003/04	
		Budget 924		Budget 1,327	
		Industry	%	Industry	%
		924	100	1,327	100
Output Description					
This output covers the receiving of applications from stakeholders to farm aquatic life, to harvest aquatic life outside normal rules, and to change the administration of the quota management system, the evaluation of the applications and subsequent decisions to either approve or decline the applications.					
Performance Expectations					Target
Quality	% of critical standards achieved to quality standards specified				≥95%
Cost	% variance actual vs. budget				≤ 5%
Time	% of relevant critical standards achieved				100%
Linkage to contributing outcome					
This output contributes to each of the three contributing outcomes through the ongoing maintenance of a variety of fisheries related operations.					

Specification	Standard
Aquaculture authorisations	Applications made under the Marine Farming Act 1971, Fisheries Act 1983 or the Freshwater Fish Farming Regulations 1983 (or any Act that replaces those provisions) are processed in accordance with approved MFish processes.
Competitive catch limits	Commercial access to any fishery that is managed by way of competitive catch limits will be closed before the catch limit is breached. Catch limits will be monitored on a predetermined frequency (e.g. daily, weekly, etc) that will enable closure to be implemented.
Commodity levies	An Order in Council imposing the requisite commodity levy is to be notified in the <i>Gazette</i> within 12 months of the completion of the ballot of persons affected by the proposed levy.
Special permits	95% of applications for special permits determined within six months of the date of receipt of completed applications and to the following prescription: <ul style="list-style-type: none"> • appropriate consultation is carried out in accordance with Section 97(2) of the Fisheries Act 1996 on each application, prior to a decision to approve or decline the application • the purpose for which a special permit is issued is consistent with those specified in Section 97(1) of the Fisheries Act 1996; and • in compliance with the procedures in the Special Permit Manual.

Output 42 - Registry Services Managed		2002/03		2003/04	
		Budget 6,867		Budget 6,974	
		Industry	%	Industry	%
		6,867	100	6,974	100
Output Description					
Monitoring and delivery of contracted registry services to ensure consistency and compliance with contracted or devolved standards.					
Performance Expectations			Target		
Quality	Minister accepts that delivery of contracted and devolved services have been delivered to an adequate or better than adequate level over the course of a year.		Either: a) No significant failures of registry services have been raised with the Minister; or b) Failures of registry services have been identified and remedial/sanction actions have been imposed appropriately		
Cost	% variance actual vs. budget		≤ 5%		
Time	% agreed milestones achieved		>80%		
Linkage to contributing outcome					
This output supports each of the three contributing outcomes through the achievement of:					
<ul style="list-style-type: none"> • Registry and other fisheries administration services are delivered in accordance with the Fisheries Act 1996; • Delivery of registry and other fisheries administration services are adequately monitored and, where necessary, rectification of errors has occurred appropriately; • New species into the QMS are allocated in accordance with the Fisheries Act 1996. 					

Milestone		Due Date
1	Quota allocated for species declared by the Minister to be subject to the Quota Management System for 1 October 2003, shall be made in accordance with Part 4 of the Fisheries Act 1996 and within the quality and timeframes defined in the Ministry's stock allocation policy in respect of that species and stock.	1 October 2003
2	Aquaculture reforms implemented in accordance with the quality standards as defined and agreed in the project plan.	31 March 2004
3	Quota allocated for species declared by the Minister to be subject to the Quota Management System for 1 April 2004, shall be made in accordance with Part 4 of the Fisheries Act 1996 and within the quality and timeframes defined in the Ministry's stock allocation policy in respect of that species and stock.	1 April 2004
4	Quarterly audit reports produced for registry based services, with actual performance compared against either: <ul style="list-style-type: none"> • Approved Service Delivery Organisation (ASDO) standards and specifications approved by the Minister of Fisheries for devolved services; or • Schedule B of the Registry Services Delivery Agreement between the Ministry and Commercial Fisheries Services Ltd and signed 21 September 2001 for contracted services; and • In accordance with the Ministry's agreed auditing and monitoring programme. 	Within one month of the end of each quarter
5	Quota allocated for species declared by the Minister to be subject to the Quota Management System for 1 October 2004, shall be made in accordance with Part 4 of the Fisheries Act 1996 and within the quality and timeframes defined in the Ministry's stock allocation policy in respect of that species and stock.	1 October 2004

Critical registry services assessment criteria for Output 42

The performance target for delivery of registry based services is that the Minister accepts that delivery of contracted and devolved services have been delivered to an adequate or better than adequate level over the course of a year.

In determining an acceptable level of delivery of registry services the Ministry will monitor the performance of the external delivery agency (either as an ASDO or as a Contracted services provider) against the following critical standards

ASDO Specification	Standard (timing only) – excludes accuracy measures
Performance report	Annual report within 3 months of end of ASDOs financial year
Registration of vessels	98% within 5 days of receipt of application over an annual period
Receipt of returns	98% accurate over an annual period
Advise Ministry of late returns	98% within 5 days of receipt over an annual period
Input of data from returns	Entry of Catch information: 95% within 2 days of receipt over an annual period
Follow up of late returns	95% within 5 days of end of month in which return was due
Follow up incorrect forms	95% followed up within 10 days of receipt
ASDO shall supply information to allow generation of deemed value invoices	Between 20th and 25th of each month
Overfishing thresholds	ASDO action taken within 5 days of completion of monthly balancing ASDO must act on Ministry's exemption decision within 2 days of receipt

Contract

Specification	Standard (timing only); excludes accuracy measures
Performance report	Annual report within 3 months of end of SDAs financial year
Quota allocation	Actions undertaken within timeframes defined in stock allocation policies
Management of Crown holdings	Report of holdings within 10 working days of the end of the 6 month period ending 30 June and 31 December in any year
Fishing permits	90% within 1 day of receipt of correct application over an annual period
High Seas Permitting	Declined or forwarded to the Ministry within 1 day of receipt
Consent to register a foreign vessel	80% within 3 days of receipt over an annual period
Approval of ALC	80% within 3 days of receipt of application for Automatic Location Communicator (ALC) over an annual period.
Deemed values, cost recovery and departmental invoices sent to clients	By 5th day of the month following invoice date
Payment reminder for outstanding debt	95% within 2 days of due date over an annual period
Debt collection proceedings	By 20th day of 3rd month following due date unless agreement reached to the contrary
Caveat suspension action for outstanding debts	Sent on 20th of second month

Output Class D5 – Enforcement of fisheries policies

Description

This output class covers the outputs that promote compliance with fisheries laws and lead to detection of those involved in illegal fisheries activities.

Objectives

To take enforcement actions to:

- monitor fishing-related activities
- detect non-compliance with fisheries policies
- provide recommendations for prosecution
- take other enforcement steps where appropriate
- collate and provide information on non-compliance to support policy and regulatory decision-making processes.

These actions will contribute to the achievement of optimal compliance with fisheries laws and the deterrence of non-compliance.

Funding

Output Class 5: Enforcement of Fisheries Policies		2001/2002 Actual	2002/2003 Budget	2003/2004 Plan	Change 02/03-03/04
Revenue					
	Crown	18,479	18,526	18,632	106
	Other	116	80	83	3
Total revenue		18,595	18,606	18,715	109
Output expenses					
51	Commercial fishing rules enforced	7,790	7,467	7,798	(331)
52	Customary fishing rules enforced	2,630	3,886	3,434	452
53	Recreational fishing rules enforced	3,125	2,911	3,046	(135)
54	NZ international fishing rules enforced	584	885	832	53
55	Poaching and black market activities deterred	4,425	3,457	3,605	(148)
Total expenses		18,554	18,606	18,715	(109)

The following new initiatives will, if approved, impact on this output class:

- Health and safety of fisheries enforcement officers

The estimated cost is \$748, of which \$315 is subject to cost recovery from industry.

Explanation of significant year on year changes

Output 52 reflects:

- A transfer of funding to the Treaty Relationship Strategy.

Output 51 – Commercial fishing rules enforced	2002/03		2003/04	
	Budget 7,467		Budget 7,798	
	Industry	%	Industry	%
	7,467	100	7,798	100

Output Description

A compliance capability is provided to take actions in commercial fisheries to encourage compliance and deter offending. These actions include monitoring, detection and provision of recommendations to prosecute.

Performance Expectations

Target

Quality	% of agreed milestones achieved to specified quality standards	100%
Cost	% variance actual vs. budget	≤5%
Time	% of milestones achieved	100%

Linkage to contributing outcome

This output contributes to each of the three contributing outcomes through the development of enforcement programmes and ongoing monitoring and detecting of illegal fishing activities.

Milestone		Due Date
1	Compliance monitoring and enforcement operations developed and undertaken in accordance with Compliance business policies and the Fishery Officers' Manual.	As required

Output 52 - Customary fishing rules enforced	2002/03		2003/04	
	Budget 3,886		Budget 3,434	
	Industry	%	Industry	%
	0	0	0	0

Output Description

A compliance capability is provided to take actions in customary fisheries to encourage compliance and deter offending. These actions include monitoring and detection, as well as the provision of education and recommendations to prosecute.

Performance Expectations		Target
Quality	% of agreed milestones achieved to specified quality standards	100%
Cost	% variance actual vs. budget	≤5%
Time	% of milestones achieved	100%

Linkage to contributing outcome

This output contributes to each of the three contributing outcomes through the development of enforcement programmes and ongoing monitoring and detecting of illegal fishing activities.

Milestone		Due Date
1.	Compliance monitoring and enforcement operations developed and completed in accordance with Compliance business policies and the Fishery Officers' Manual	As required

Output 53 – Recreational fishing rules enforced		2002/03		2003/04	
		Budget 2,911		Budget 3,046	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
Actions taken in recreational fisheries to encourage compliance and deter offending. These actions include monitoring and detection, as well as the provision of education and recommendations to prosecute.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% of milestones achieved				100%
Linkage to contributing outcome					
This output contributes to each of the three contributing outcomes through the development of enforcement programmes and ongoing monitoring and detecting of illegal fishing activities.					

Milestone		Due Date
1.	Compliance monitoring and enforcement operations developed and completed in accordance with Compliance business policies and the Fishery Officers' Manual	As required

Output 54 - NZ International fishing rules enforced	2002/03		2003/04	
	Budget 885		Budget 832	
	Industry	%	Industry	%
	0	0	0	0

Output Description

Actions taken in New Zealand international fisheries to encourage compliance and deter offending. These actions include monitoring, detection and provision of recommendations to prosecute.

Performance Expectations		Target
Quality	% of agreed milestones achieved to specified quality standards	100%
Cost	% variance actual vs. budget	≤5%
Time	% of milestones achieved	100%

Linkage to contributing outcome

This output contributes to each of the three contributing outcomes through the development of enforcement programmes and ongoing monitoring and detecting of illegal fishing activities.

Milestone		Due Date
1.	Compliance monitoring and enforcement operations developed and completed in accordance with Compliance business policies and the Fishery Officers' Manual	As required

Output 55 - Blackmarket and poaching activities deterred		2002/03		2003/04	
		Budget 3,457		Budget 3,605	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
Actions taken to apprehend blackmarket and poaching offenders. These actions include monitoring, detection and provision of recommendations to prosecute.					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% of milestones achieved				100%
Linkage to contributing outcome					
This output contributes to each of the three contributing outcomes through the development of enforcement programmes and ongoing monitoring and detecting of illegal fishing activities.					

Milestone		Due Date
1.	Compliance monitoring and enforcement operations developed and completed in accordance with Compliance business policies and the Fishery Officers' Manual	As required

Output Class D6 – Prosecution of Offences

Description

This output class covers services that relate to the prosecution of offences against fisheries laws.

Objectives

Successfully prosecute those who have offended against fisheries laws.

Funding

Output Class 6: Prosecution of Offences		2001/2002 Actual	2002/2003 Budget	2003/2004 Plan	Change 02/03-03/04
Revenue					
	Crown	3,793	3,296	3,621	325
	Other	1	0	0	0
Total revenue		3,794	3,296	3,621	325
Output expenses					
61	Prosecutions managed	3,609	3,296	3,621	(325)
Total expenses		3,609	3,296	3,621	(325)

Output 61 - Prosecutions managed	2002/03		2003/04	
	Budget 3,296		Budget 3,621	
	Industry	%	Industry	%
	0	0	0	0

Output Description

Fisheries-related prosecutions managed. This includes case preparation and presentation, and management of forfeit property.

Performance Expectations

Target

Quality	% of cases that meet <i>prima facie</i> requirements	≥95%
	% of successful prosecutions under the Fisheries Act 1996	≥90%
	% of successful prosecutions of fisheries regulations	≥60%

Cost	% variance actual vs. budget	≤5%
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Time	% of cases initiated within statutory timeframes	100%
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Linkage to contributing outcome

This output contributes to each of the three contributing outcomes through the prosecution of offenders, thereby creating a deterrent to offending.

Milestone		Due Date
1.	A national prosecution strategy developed in accordance with the standards in the Crown Law guidelines and the Compliance business policies	1 July 2003
2.	Prosecutions undertaken in accordance with the Crown Law guidelines and the Compliance business policies.	30 June 2004

Vote Biosecurity (Fisheries)
Output Class – Marine biosecurity advice

Description

This output class covers the services related to the management of risks to marine biosecurity, and focuses on outputs that contribute to the goal of protecting the marine environment.

Objectives

Provide policy advice on building a marine biosecurity system and contribute to achieving the biodiversity strategy. This will include:

- measures to prevent organisms arriving, detect organisms if they do arrive, respond to those incursions and manage pest species
- manage contracts for services delivered by other parties, including enforcement activities and scientific research
- monitor compliance with New Zealand biosecurity requirements
- provide advice on regulatory measures for marine biosecurity.

Funding

Output Class 7: Marine Biosecurity		2001/2002 Actual	2002/2003 Budget	2003/2004 Plan	Change 02/03- 03/04
Revenue					
	Crown	3,153	2,462	2,218	(244)
	Other	0	0	0	0
Total revenue		3,153	2,462	2,218	(244)
Output expenses					
71	Biosecurity policy advice provided	522	517	442	75
72	Biosecurity research undertaken	1,208	1,945	1,776	169
Total expenses		1,730	2,462	2,218	244

Explanation of significant year on year changes

The reduction in this output class reflects:

- The discontinuation of specific funding for the management of undaria, which was approved only for 2001/02 and 2002/03.

Output 71 - Biosecurity systems developed and maintained		2002/03		2003/04	
		Budget 517		Budget 442	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
The development and maintenance of services to manage the risks to the marine environment posed by unwanted organisms, including: <ul style="list-style-type: none"> • Pre-border activities (inc. bilateral and multilateral arrangements) • Border systems (inc. import controls, and border inspection) • Post-border systems (inc. surveillance programme, and initial incursion response). 					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance actual vs. budget				≤5%
Time	% of milestones achieved				≥80%
Linkage to contributing outcome					
This output links to each of the three contributing outcomes by ensuring that international arrangements and border measures are in place to minimise the opportunity for unwanted organisms to arrive in NZ; and that surveillance and incursion response systems are in place to minimise the opportunity for unwanted organisms to become established in NZ.					

Milestone		Due Date
1	Provide an active and constructive contribution to the development of an international convention on ballast water measures. Minister approves NZ position on issues to be negotiated (prior to presentation to international fora)	30 June 2004
2	Complete a thorough review of the Import Health Standard (HIS) for ballast water and its accompanying guide and have the revised HIS approved as meeting relevant process and content standards.	30 June 2004
3	Develop and implement guidelines and standards for the treatment of fouling removed in cleaning, and voluntary approval measures for vessel cleaning operations. Manager International and Biosecurity approves guidelines, standards, and measures as meeting relevant process and content standards	30 June 2004
4	Implement the public awareness strategy for marine biosecurity by completing the 2003/04-work plan of public awareness measures.	30 June 2004
5	Complete and have approved by the Chief Executive a plan to implement the National Biosecurity Strategy.	30 June 2004

Output 72 - Biosecurity research delivered		2002/03		2003/04	
		Budget 1,945		Budget 1,776	
		Industry	%	Industry	%
		0	0	0	0
Output Description					
Scientific and policy reports produced on:					
<ul style="list-style-type: none"> • Surveillance for marine pests • Compliance monitoring of ballast water discharge • Incursion response options and systems for the marine environment • Risk profile fro marine species that arrive in New Zealand • Baseline information to support border control • Alternative management tools for vector threats 					
Performance Expectations					Target
Quality	% of agreed milestones achieved to specified quality standards				100%
Cost	% variance of research project costs vs budgeted cost (on an individual project basis)				≤10%
Time	% of milestones achieved				100%
Linkage to contributing outcome					
This output links to each of the three contributing outcomes by improving the knowledge of potentially invasive species and of marine biodiversity areas most at risk from invasion, and supporting the development of compliance, surveillance and response capabilities.					

Milestone		Due Date
1.	Medium term research plans produced in accordance with the quality standards as defined in the document “Format and Content of Project Summaries and Medium Term Plans prepared by the Research Planning Group” dated 9 July 2001 and held in the Science Team directories.	By September 2003
2.	Research proposals for 2004/05 produced in accordance with the quality standards as defined in the document “Format and Content of Project Summaries and Medium Term Plans prepared by the Research Planning Group” dated 9 July 2001 and held in the Science Team directories.	By February 2004

Forecast Financial Information

STATEMENT OF RESPONSIBILITY

The forecast financial statements for the Ministry of Fisheries for the year ending 30 June 2004 contained in this report have been prepared in accordance with section 34A of the Public Finance Act 1989.

The Chief Executive of the Ministry of Fisheries acknowledges, in signing this statement, that he is responsible for the forecast financial statements contained in this report.

The financial performance forecast to be achieved by the Ministry for the year ending 30 June 2004 specified in the statement of objectives is as agreed with the Minister of Fisheries. The Minister of Fisheries is the Minister responsible for the financial performance of the Ministry of Fisheries.

The performance for each class of outputs forecast to be achieved by the Ministry for the year ending 30 June 2004 specified in the statement of objectives, is as agreed with the Minister responsible for each output class administered by the Ministry.

We certify that the information contained in this report is consistent with the appropriations contained in the Estimates for the year ending 30 June 2004 that are being laid before the House of Representatives under section 9 of the Public Finance Act 1989.

Signed

Countersigned

Warwick Tuck
Chief Executive
Services

Peter Boon
Manager Corporate Planning and

April 2003

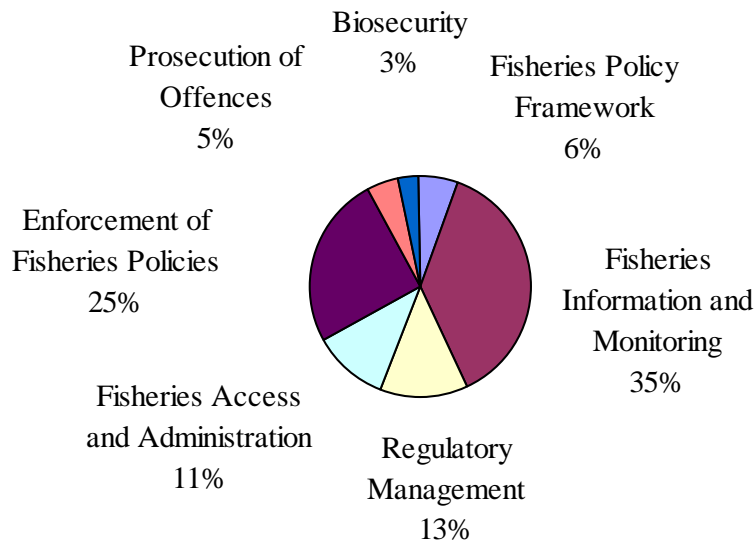
April 2003

HIGHLIGHTS

In 2003/04 the Ministry is planning, through Vote Fisheries and Vote Biosecurity (Fisheries) to:

- receive \$72.792 million in revenue from the Crown and \$1.044 million from other purchasers of services, from which it will supply the six departmental output classes for Vote Fisheries and the departmental output class for Vote Biosecurity (Fisheries) detailed in the Statement of Objectives in this report.
- incur output expenses of \$73.836 million in providing these services.

The split between output classes for 2003/04 is set out below.



Annually the Minister of Fisheries consults with fisheries stakeholders on the Ministry's business plan, the services to be provided and their costs. For this reason, the final services and, hence, costings funded through Vote Fisheries for the 2003/04 financial year will not be determined until the completion of this consultation process.

Revenue Profile (Inclusive of Crown Activities)

This shows the prospective revenue flows from external sources to the Ministry and the Crown for the next fiscal period.

Departmental revenue

\$000	2002 Actual	2003 Budget	2003 Forecast	2004 Plan	Change 02/03- 03/04
Transshipment and Observer charges	1,124	548	548	637	89
Transfer and leases	282	0	0	0	0
Boat registration and permit fees	257	200	200	200	0
Marine farming licence fees	85	326	326	150	(176)
Other	211	63	63	57	(6)
Total Departmental external revenue	1,959	1,137	1,137	1,044	(93)

Crown Revenue

\$000	2002 Actual	2003 Budget	2003 Forecast	2004 Plan	Change 02/03- 03/04
Cost recovery levies					
- General	30,980	32,598	32,973	32,221	(377)
- Conservation	1,925	3,590	2,755	1,053	(2,537)
- Crown owned quota	35	169	169	169	0
Deemed value charges	5,500	5,500	5,500	5,500	0
Surrendered and seized fish	1,048	50	50	50	0
Sale of quota	17	0			0
Foreign licence fees	69	300	300	300	0
Forfeitures and redemptions	2,300	500	500	500	0
Infringement fees	250	638	638	638	0
Doubtful debts recovered	16	0	0	0	0
Other	0	0	0	0	0
Total Crown revenue	42,140	43,345	42,885	40,431	(2,914)
Total External revenue	44,099	44,482	44,022	41,475	(3,007)

Note 1: the budget figures for 2002/03 are those included in the approved Ministry business plan for 2002/03. The forecast figures are those expected to be achieved at year end. With the exception of cost recovery – Conservation, the figures for 2003/04 are those developed by the Ministry through its business planning processes.

Note 2: the above cost recovery figures do not incorporate any changes which might result from the resolution of under and over recovery over the period 1994/95 to 2000/01.

Statement of Forecast Expenditure by Output Class

This statement discloses the forecasted expenditure by the Ministry for the delivery of each output class.

\$000	2002 Actual	2003 Budget	2003 Forecast	2004 Plan	Change 02/03- 03/04
Policy Framework	4,256	4,109	3,609	4,343	(234)
Fisheries Information and Monitoring	21,527	25,773	30,847	27,144	(1,371)
Regulatory Management	5,669	6,368	6,368	9,494	(3,126)
Fisheries Access and Administration	9,463	7,791	7,791	8,301	(510)
Enforcement of Fisheries Policies	18,554	18,606	18,606	18,715	(109)
Prosecution of Offences	3,609	3,296	3,480	3,621	(325)
Marine Biosecurity Advice	1,730	2,462	3,886	2,218	244
Other Expenses	196	0	0	0	0
Total Expenses	65,004	68,405	74,587	73,836	(5,431)

The Ministry's departmental expenses have increased from \$68.405 million in 2002/2003 to \$73,836 million in 2003/04 due principally to the new initiatives included in this plan.

The major reasons for change are as follows:

	\$ million
2002/03 approved business plan	68.405
Add	
effect of Cabinet decisions	0.408
proposed new initiatives	5.023
Total for 2003/04 draft business plan	73.836

Fiscal Trend of Services

(\$000's)	2001/2002	2002/2003	2003/04
	Plan	Plan	Plan
Core departmental services	47,764	45,465	50,238
Fisheries research	19,508	19,781	19,349
Biodiversity research	2,418	1,942	3,099
Biosecurity research	0	1,217	1,150
Total Budget	69,690	68,405	73,836

Industry Contributions

(including share of overheads)

This section shows the extent of industry contributions to the delivery of the Ministry's outputs.

(\$000's)	2001/2002	2002/2003	2003/04
	Plan	Final Plan	Draft Plan
Core departmental services	15,707	16,465	17,042
Research	14,126	16,133	15,179
Total - Cost recovery levies	29,833	32,598	32,221
Transaction charges	1,972	1,137	1,044
Total industry contributions	31,805	33,735	33,265

The levy order figures for 2001/02 and 2002/03 are based on the fisheries services approved by the Minister of Fisheries after the completion of the respective consultation processes.