



Proposal for an in-season increase to the total allowable catch for southern bluefin tuna

Consultation Document

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Consultation

1. The consultation document will be available for public feedback for a period of four weeks from the release date of 12 January 2018.

2. Written submissions should be sent directly to:

Highly Migratory Species Team
Ministry for Primary Industries
PO Box 2526
Wellington 6140

or emailed to: FMsubmission@mpi.govt.nz

3. All submissions are subject to the Official Information Act and can be released, if requested, under the Act. If you have specific reasons for wanting to have your submission withheld, please set out your reasons in the submission. MPI will consider those reasons when making any assessment on the release of submissions if requested under the Official Information Act.

1 What is proposed?

4. The purpose of this discussion document is to seek feedback from tangata whenua and stakeholders, on proposed options for New Zealand on whether to implement a decision of the Commission for the Conservation of Southern Bluefin Tuna (CCSBT)¹ to increase New Zealand's national allocation of southern bluefin tuna in the current fishing year and, if so, how that should be shared between sectors.
5. The CCSBT is the regional fisheries management organisation responsible for the management of southern bluefin tuna. New Zealand is a founding member of the Commission and a range state for this highly migratory species (HMS). The CCSBT sets the global total allowable catch (GTAC) for southern bluefin tuna in three year blocks, which is in turn allocated to individual member countries according to an agreed formula. For the three year block 2018 to 2020, the CCSBT raised the GTAC by 3,000 tonnes to 17,647 tonnes. As a result of this, New Zealand's national allocation has increased by 88 tonnes to 1,088 tonnes per annum for the next three fishing years.
6. As the first of these three fishing years has already commenced, an in-season change in the New Zealand domestic catch limit for this year, under section 14(6) of the Fisheries Act 1996 (the Act), is the only available option to implement the CCSBT decision this year. As the status quo is an option open to the Minister of Fisheries, this is presented as Option 1. Two options are proposed to implement an increase to the New Zealand total allowable catch (TAC). Option 2 proposes an in-season increase of the TAC for the remainder of the current fishing year with no changes in the non-commercial allowances. Option 3 proposes the same increase in the TAC, but with changes across both the commercial and recreational sector to recognise the increased importance of the latter. The current domestic TAC and allowances are shown for the current fishing year in Table 1, along with the proposed options to increase the domestic TAC by 88 tonnes.
7. No change is made to the total allowable commercial catch (TACC) when implementing an in-season TAC increase, instead additional Annual Catch Entitlement (ACE) is generated to give effect to any decision to increase the TAC within the current fishing year.

Table 1: A table to show the allowances (in tonnes) under the proposed options².

TAC and allowances (tonnes)	Option 1 (Status quo)	Option 2	Option 3
TAC (2017-18 fishing year)	1000	1088	1088
Customary allowance	1	1	1
Recreational allowance	8	8	20
Other fishing-related mortality allowance	20	20	20
TACC	971	971	971
Additional Annual Catch Entitlement	0	88	76

¹ The Commission for the Conservation of Southern Bluefin Tuna (CCSBT) is an intergovernmental organisation responsible for the management of southern bluefin tuna throughout its distribution. The CCSBT's objective is to ensure, through appropriate management, the conservation and optimum utilisation of southern bluefin tuna. New Zealand is a founding member, and other members include; Australia, the European Union, the Fishing Entity of Taiwan, Indonesia, Japan, Republic of Korea and South Africa.

² The Minister is not constrained by the option relating to an increase in ACE versus recreational allowance and may, for example, choose an option that is between Options 2 and 3.

2 Why the need for change?

8. In 2011, the CCSBT agreed that a science-based management procedure would be used to guide the setting of the GTAC for southern bluefin tuna. The management procedure is designed to respond adaptively to the latest indicators from the stock (including aerial survey indices and catch per unit effort in the fishery), and to recommend an appropriate global catch limit that will allow the spawning stock biomass to achieve the interim rebuilding target of 20% of unfished spawning stock biomass by 2035 (with 70% certainty). Adopting this management procedure was a significant advance for the CCSBT, setting a clear timeframe for rebuilding the stock and ensuring decisions on the global catch limit are no longer ad hoc, but are set according to an agreed and tested science-based procedure.
9. The GTAC recommended by the management procedure is set in three year blocks to improve stability in the fishery. The maximum agreed change between blocks is limited to 3,000 tonnes, meaning that the GTAC could be either reduced or increased by up to 3,000 tonnes to respond to the latest information on stock status and trends.
10. Based on the results of the management procedure operation for the 2018-20 quota block undertaken in 2016 and confirmed in 2017, the CCSBT agreed to increase the GTAC for 2018-20 by 3,000 tonnes to 17,647 tonnes. Evaluations of the management procedure indicated that even with such an increase, the target biomass level would be reached by 2035.
11. The GTAC derived from the management procedure is allocated to the CCSBT members based on an agreed formula. Starting in 2018, members are required to account for all fishing mortality of southern bluefin tuna (including commercial fishing, customary fishing, recreational fishing, and other fishing-related mortality) from within their national allocation. The CCSBT has also agreed that an allowance of 306 tonnes be set aside within the GTAC to account for illegal, unreported, and unregulated catch by non-members. As a consequence of the new GTAC increase, New Zealand's national allocation increased by 88 tonnes to 1,088 tonnes.
12. In New Zealand, southern bluefin tuna is managed within the Quota Management System with a 1 October to 30 September fishing year. The TAC effective on 1 October 2017 does not reflect the increase that was confirmed at the Commission meeting that closed on 12 October 2017. The use of the in-season mechanism allows New Zealand to apply the increased country allocation granted at the most recent meeting in time to be utilised in the first fishing year of the three year allocation block. If approved, the in-season change will expire at the end of the fishing year (30 September 2018). The stock will also be reviewed as part of the Ministry for Primary Industries' (MPI) 1 October 2018 sustainability round process to adjust the final two years of the three year quota block.
13. Failing to utilise the increased country allocation would result in forgone economic and social benefits from the additional potential catch. Maintaining the current TAC is unlikely to provide any significant benefits in terms of stock rebuild based on the parameters of the existing management procedure.

3 Why are these options proposed?

3.1 SETTING THE TAC

14. As southern bluefin tuna is a highly migratory species, migrating over considerable distances and spending only part of its times in New Zealand waters, it is not possible to calculate the maximum sustainable yield (MSY) for the portion of the stock found within New Zealand fisheries waters (STN 1). The national allocation for New Zealand is determined as part of an international agreement, (s14(8)(b)(ii)). Section 14 of the Act provides for alternative TACs to be set for stock specified in Schedule 3 (which includes southern bluefin tuna), if the Minister considers it appropriate to achieve the purpose of the Act.
15. Section 14(6) of the Act outlines that, after considering information about the abundance during the current fishing year of any stock listed in Schedule 3 to the Act, the Minister may increase the TAC within the fishing year for the stock. If a TAC has been increased during the fishing year in this way, the TAC shall revert to its previous level at the end of that fishing year (section 14(7)).
16. Section 11(2A) of the Act outlines factors for the Minister for Primary Industries to take into account before setting or varying sustainability measures (including TACs), including any relevant fisheries plans. September 2010, the then Minister of Fisheries approved a National Fisheries Plan for Highly Migratory Species under section 11A of the Act. The fisheries plan outlines various management objectives for HMS, along with strategies for achieving the objectives, including:
 - a) Maintaining a sustainable fishery for HMS within environmental standards, including encouraging management of HMS at specified target reference points. The CCSBT has adopted an interim rebuilding target, and confirmed that the biomass that can produce maximum sustainable yields remains the longer term target. The New Zealand allocations set by the CCSBT are consistent with these biomass targets.
 - b) Promoting a viable and profitable tuna fishery, including through negotiating favourable country allocations for New Zealand fishers. Implementation strategies include reviewing management arrangements, including catch limits as required, to take into account international agreements. The current review is in line with this strategy.
 - c) The fisheries plan outlines objectives for non-commercial use of HMS fisheries, including maintaining/enhancing recreational catch rates for HMS game fisheries, and ensuring abundant HMS for customary use. Provision is made for non-commercial fishers as part of the proposed TAC and allowances.

17. A Harvest Strategy Standard was adopted for New Zealand fisheries in October 2008. The harvest strategy standard outlines classifications of stocks based on their status in relation to target and limit reference points. For HMS (including southern bluefin tuna), the standard outlines that MPI will generally rely on international organisations in which New Zealand participates to determine the status of the species in question – in this instance the CCSBT. MPI is satisfied that the advice from the CCSBT’s Scientific Committee (including an independent panel) represents the best available information to inform management decisions.

3.2 SETTING ALLOWANCES AND ANNUAL CATCH ENTITLEMENT

Allowances for customary fishing

18. The New Zealand customary allowance provides for catches of southern bluefin tuna that are governed by customary regulations. There is no evidence to date that catches of southern bluefin tuna are made in this way. Most, if not all, non-commercial catches are taken in line with general provisions for amateur fishing (rather than under the customary fishing regulations). Based on these factors, MPI is not proposing a review of the current customary fishing allowance within the options presented in this paper.

Allowances for recreational fishing

19. Prior to 2007, recreational catches of southern bluefin tuna are likely to have been rare because of the locations and seasons during which southern bluefin tuna are found in New Zealand waters (generally winter months and areas with little recreational fishing). However, recreational catches have been recorded in the months from February to September, and in the last few years, southern bluefin tuna is becoming a more targeted species for recreational fishers on both coasts.
20. Compulsory reporting for recreational charter vessel operators was introduced in November 2010. In 2015, 10 fish were reported caught, with an estimated total weight of 1,050 kilograms. Only five of the ten fish caught were retained. In 2016, 37 fish were caught, with an estimated total weight of 1,127 kilograms and 36 of them were retained.
21. In 2017, recreational catch was estimated at much higher levels than those previously seen in this fishery. Records gathered from gamefish clubs show 234 fish were landed, with an estimated total weight of 17 tonnes. Anecdotal information from recreational fishing clubs indicates that the majority of fish caught were landed and weighed. The recreational sector benefited from particularly favourable conditions in terms of weather and proximity of the fish, and it is unlikely that those conditions will prevail from year to year.
22. There are currently no constraints imposed on the recreational sector in relation to southern bluefin tuna. Changes to the recreational management of the fishery will be further discussed in this year as part of the 2018-19 TAC review process.
23. This paper proposes an increase to the recreational allowance under Option 3 that is based on the higher catch levels witnessed in the most recent fishing year.

Allowances for other sources of mortality caused by fishing

24. The current allowance for all other fishing-related mortality is set at 20 tonnes. This allowance reflects estimated mortality from live releases along with any potential underreporting. MPI does not have any new information that would suggest that a review of this allowance is necessary and has not proposed any changes as part of this paper.

Annual Catch Entitlement for commercial fishing

25. New Zealand catch data shows most southern bluefin tuna are caught off the west coast of the South Island or the east coast of the North Island from April to July. Southern bluefin tuna catch has steadily increased in recent years, in part reflecting increases to the New Zealand country allocation over that time.
26. Since the introduction into the Quota Management System, the number of vessels in the fleet has declined, with 32 vessels operating in the fishery during the 2016-17 fishing year. The domestic fleet is primarily composed of smaller “ice boats”, which operate on both the South Island west coast and the North Island east coast. Those vessels are typically at sea for only a few days, and land southern bluefin tuna both as a target, and as a bycatch of bigeye tuna target sets.
27. For the 2016-17 fishing year, the New Zealand southern bluefin tuna fishery was allocated a TACC of 971 tonnes. Actual commercial catch was 912 tonnes.
28. Southern bluefin tuna is a valuable product, primarily sold for use as sashimi. Premium prices can be obtained in the Japanese market because of the high fat content of the flesh. The New Zealand commercial southern bluefin tuna fishery provided export earnings of around \$17.8 million in 2016.³

Table 2: Global Total Allowable Catch and New Zealand country allocation from 2010 up until 2020 (in tonnes).

	2010	2011	2012	2013	2014	2015- 2017	2018- 2020
GTAC	9,449	9,449	10,449	10,949	12,449	12,647	17,647
New Zealand allocation	570	570	800	830	910	1,000	1,088

29. If an in-season increase in TAC is agreed, the increase is given effect by the generation of additional ACE following consideration of appropriate allowances for other use in the fishery. There is also additional ACE generated from year to year by the under-fishing provisions of the Act and the CCSBT.

³ This figure is based on export data figures compiled by Statistics New Zealand.

4 Evaluation of options

30. New Zealand cannot set its TAC at a level higher than its allocation set by the CCSBT, but it does have discretion to set it at a lower level, taking into account the overall stock status and the capacity of the New Zealand fishery. A range of options for New Zealand's TAC for 2018 (i.e. the 2017-18 fishing year) are outlined below.

4.1 OPTION 1 – STATUS QUO

31. Option 1 would maintain the status quo, where the TAC would remain unchanged for the remainder of the 2017-18 fishing year, at 1,000 tonnes. Within the TAC, allowances would remain as follows:
- a) A customary allowance of 1 tonne;
 - b) A recreational allowance of 8 tonnes;
 - c) An allowance for other fishing mortality of 20 tonnes; and
 - d) A total allowable catch of 971 tonnes.
32. The decision on whether to permanently allocate New Zealand's additional 88 tonnes would be deferred until the sustainability round process for next fishing year (2018-19).

Impact

33. Given the rebuilding parameters that drive the wider regional management of southern Bluefin tuna, it is unlikely that a decision by New Zealand to forego its country allocation increase in the current year would impact on the rebuild of the stock.

Cost

34. Retaining the TACC at 971 tonnes would not provide any additional economic or social benefit from the increase in allocation available to New Zealand. The cost of retaining the status quo comes in the form of foregone benefits.

Benefit

35. Although the CCSBT has adopted a number of measures designed to improve the status of the stock, the Minister could choose to forego any increase to New Zealand's TAC at this time to avoid the increased risk from higher catches. In the context of the southern bluefin tuna stock, the benefits of this action are likely to be minor; however such an action may be seen as beneficial by a number of New Zealanders who place a high level of importance on conservation.

4.2 OPTION 2 – IN-SEASON INCREASE WITH NO CHANGE TO RECREATIONAL ALLOWANCE

36. Under an increased TAC to 1,088 tonnes, Option 2 proposes to make the additional 88 tonnes available to the commercial sector and maintain the other current allowances:
- a) Maintain a customary allowance of 1 tonne;
 - b) Maintain a recreational allowance of 8 tonnes;
 - c) Maintain an allowance for other fishing mortality of 20 tonnes; and
 - d) Increase the available Annual Catch Entitlement for commercial fishers by 88 tonnes.

Impact

37. This decision would better reflect the decisions made at the CCSBT and allow the commercial sector to benefit from the increases permitted under the stock rebuilding strategy adopted by the CCSBT. However, assigning the full increase to the commercial sector would not reflect the most recent information received from the recreational sector which suggested increased catches in this fishery.

Cost

38. There are no financial costs associated with this option. There are potential reputational risks to New Zealand in not recognising the increased recreational activity in this fishery within its domestic allocation mechanisms.

Benefit

39. Benefits would be gained by the commercial sector primarily in the form of potential additional export revenues. Based on the average value derived from 2016 export statistics, an additional 88 tonnes allocation to the commercial sector could create an additional \$1.1 million in export revenues.

4.3 OPTION 3 – IN-SEASON INCREASE WITH CHANGE TO COMMERCIAL AND RECREATIONAL ALLOWANCE

40. Under an increased TAC to 1,088 tonnes, Option 3 proposes to make the additional 88 tonnes available in the TACC and the recreational allowance:
- a) Maintain a customary allowance of 1 tonne;
 - b) Increase the recreational allowance to 20 tonnes;
 - c) Maintain an allowance for other fishing mortality of 20 tonnes; and
 - d) Increase the available Annual Catch Entitlements for commercial fishers by 76 tonnes.

Impact

41. This decision would better reflect the decisions made at the CCSBT and allow New Zealanders to benefit from the increase granted. Unlike Option 2, this option includes a significant increase to the recreational sector allowance that reflects the high levels of catch seen by that sector in 2017.

Cost

42. There are no direct financial costs associated with this option. There are, however, lower potential export revenues associated with the increased allowance to the recreational sector.

Benefit

43. Again the benefits gained by the commercial sector will come in the form of additional export revenues. Based on the average value derived from 2016 export statistics, an increase of 76 tonnes to the commercial sector allowance could create an additional \$940,000 in export revenues. The increased recreational allowance would demonstrate a strong commitment to the CCSBT decision to fully account for all sources of mortality and recognise the growing importance of the recreational sector in the domestic fishery.

5 Other relevant matters

44. Any in-season TAC adjustment will expire at the end of the fishing year and the TAC and allowances will revert back to the 2016-17 levels. Long term implementation of the CCSBT allocation decisions will require a formal TAC review ahead of the next fishing year (i.e. 1 October 2018). MPI considers that such a review should also include discussions surrounding the management of the recreational fishery for southern bluefin tuna.
45. When making decisions under the Act, Section 9 requires the Minister to take into account the following environmental principles:
 - a) Associated or dependent species be maintained at or above a level that ensures their long-term viability;
 - b) Biological diversity of the aquatic environment should be maintained; and
 - c) Habitat of particular significance for fisheries management should be protected.
46. The key environmental interactions associated with the New Zealand southern bluefin tuna fishery are discussed below with reference to the likely impacts of the proposed management options.

5.1 MARINE MAMMALS

47. The surface longline fishery is known to interact with fur seals. The Department of Conservation classify the fur seal population as ‘Not Threatened – least concern’ and note that the New Zealand population has been increasing in recent years and is estimated at being over 200,000 fur seals.⁴ Based on observer information, most fur seals encountered in surface longline gear are able to be released alive and the increase in ACE associated with Options 2 and 3 are not considered to give rise to concerns regarding increased fur seal interactions.

5.2 FISH BYCATCH

48. MPI considers that an increase in ACE at the levels proposed in Options 1 and 2 will not give rise to concerns related to fish bycatch. Most bycatch species are under caught if subject to a catch limit, or are species managed outside of the QMS with no current sustainability concerns.

5.3 SEABIRDS

49. Management of seabird interactions with New Zealand’s commercial fisheries is managed under the framework of the ‘2013 National Plan of Action to Reduce the Incidental Captures of Seabirds in New Zealand Fisheries’ (NPOA-Seabirds). The NPOA-Seabirds established a risk-based approach to managing fishing interactions with seabirds. As a priority, management actions are targeted at the seabird species most at risk, but also aim to minimise captures of all seabird species to the extent practicable.

⁴ <http://www.doc.govt.nz/nature/native-animals/marine-mammals/seals/nz-fur-seal/>

50. The level of risk from commercial fishing to individual seabird species has been identified through a comprehensive hierarchical risk assessment⁵ that underpins the NPOA-Seabirds. Seabird interactions with vessels in the New Zealand southern bluefin tuna fishery generally occur at low but significant rates for some species, and significant individual events do occur. Regulatory and non-regulatory management measures are in place to mitigate and manage interactions with seabirds. Mandatory measures include the requirement for either night setting OR line weighting, in combination with the use of tori lines when setting. Non-regulatory management measures include initiatives by the Department of Conservation's Protected Species Liaison Officer Programme, such as vessel-specific management plans that describe on-board practices that vessels follow to reduce the risk of seabird capture, and direct mentoring of vessel operators. MPI is reviewing the current mandatory measures; however considers that the risk to seabirds would not be exacerbated under the proposed options.

5.4 HABITATS

51. No habitat of particular significance for fisheries management has been determined for the New Zealand southern bluefin tuna stock.

⁵ Accessible at: <http://www.forestandbird.org.nz/files/image/AEBR-162-risk-assessment.pdf>