

## Response ID ANON-URZ4-5FG2-9

Submitted to Fast-track approval applications  
Submitted on 2024-05-03 12:38:25

### Submitter details

Is this application for section 2a or 2b?

2A

#### 1 Submitter name

Individual or organisation name:  
Sanford Limited

#### 2 Contact person

Contact person name:  
Alison Undorf-Lay

#### 3 What is your job title

Job title:  
Industry Liaison Manager

#### 4 What is your contact email address?

Email:

s 9(2)(a)

#### 5 What is your phone number?

Phone number:

s 9(2)(a)

#### 6 What is your postal address?

Postal address:

22 Jellicoe Street, Freemans Bay, Auckland, 1011, New-Zealand

#### 7 Is your address for service different from your postal address?

No

Organisation:

Contact person:

Phone number:

Email address:

Job title:

Please enter your service address:

### Section 1: Project location

Site address or location

Add the address or describe the location:

226 Branxholme-Makarewa Road  
Lot 2 Deposited Plan 488625  
Invercargill  
Southland  
9876  
New Zealand

File upload:  
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Do you have a current copy of the relevant Record(s) of Title?

Yes

upload file:  
Makarewa Hatchery title.pdf was uploaded

Who are the registered legal land owner(s)?

Please write your answer here:

Makarewa Coolstores Limited

Detail the nature of the applicant's legal interest (if any) in the land on which the project will occur

Please write your answer here:

Sanford holds a long term lease over the site, the terms of which will enable Sanford to establish and operate the project.

## Section 2: Project details

What is the project name?

Please write your answer here:  
Makarewa Hatchery

What is the project summary?

Please write your answer here:

The Makarewa Hatchery is a proposed King salmon recirculated aquaculture system for producing eggs and raising smolt prior to release to Sanford's ocean farms in Big Glory Bay Stewart Island, and at their proposed open ocean new farms (Project East and Project South).

As the project is an essential part of Sanford's King salmon growth plan, it is of both regional and national significance.

The project provides an important contribution to the long-term capability of aquaculture, including meeting New Zealand's objective under the Aquaculture Strategy of increasing its production to \$3 billion by 2035. The Makarewa Hatchery will be an integral element of Sanford's King salmon production in the South Island.

What are the project details?

Please write your answer here:

Project: Sanford is proposing a new build, King salmon hatchery at a retired Alliance meat works in Invercargill.

Purpose: The purpose of the Makarewa Hatchery is to enable Sanford to reduce its dependence on 'run of the river' hatcheries (it has three) and create a fully contained, controlled hatchery environment that makes more efficient use of the freshwater resources. More smolt, larger smolt grown in water that is recirculated +25 times before cleaned and discharged.

Objectives: The Makarewa Hatchery is a new facility that will enable Sanford to make more efficient use of and grow its already significant King salmon business by increasing its fish production in Big Glory Bay within the same bay-wide nitrogen allocation. The hatchery will have capacity at Stage One to grow 1.5 million smolt. The site will have capacity to increase smolt numbers in line with growth plans via the addition of more tank infrastructure over time.

The Makarewa Hatchery will:

- Provide a 700% increase in biomass capacity
- Reduce the length of time between input to sea and harvest by ~3 months
- Increase the frequency of smolt intakes to quarterly
- Reduce the feed conversion ratio for fish in water
- Increase the annual production of Big Glory Bay by 10.5% to ~600 green weight tonnes (GWT)
- Enable the relocation of brood fish from the Big Glory Bay, Stewart Island ocean pens to the new build hatchery

The Makarewa Hatchery at stage two will have the capacity to provide salmon smolt to Sanford's proposed two open ocean farms (Project East/Project South), which have a requirement of +1.5 million smolt ~5,000 GWT product in their first two years of development.

Activities: Sanford is seeking to fast track all consents and other approvals required to construct the new hatchery, including:

- land use consent for undertaking an intensive farming activity in an Industrial Zone;
- land use consent for the buildings;
- land use consent for hazardous substances storage;
- resource consent to disturb contaminated soil in accordance with the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health;
- water permit to take and use water from the Makarewa River for 35 years;
- creation of on-site water storage to manage natural low flows of the Makarewa River;
- land use consent for the construction of a wastewater pipeline;
- trade waste permit for the discharge of treated wastewater into the Invercargill City Council trade waste network; and
- fish farm licences.

Describe the staging of the project, including the nature and timing of the staging

Please write your answer here:

It is proposed that the development of the Makarewa Hatchery will be implemented in two Stages, as follows:

Stage 1 – The immediate construction and operation of the Makarewa Hatchery so that it has capacity to produce 1.5 million smolt to supply the existing Big Glory Bay – Stewart Island farms.

Stage 2 – The construction of an extension to the hatchery to supply the first two years of Project East/Project South stage one development, to produce +1.5 million smolt supporting 5,000 GWT per annum.

Development of the two stages may occur simultaneously or sequentially depending on the consenting of the open ocean new farm sites. Development will take in the order of one to two years to complete each stage.

What are the details of the regime under which approval is being sought?

Please write your answer here:

All necessary approvals under the Resource Management Act 1991, Local Government Act 2002 and Freshwater Fisheries Regulations 1983.

If you seeking approval under the Resource Management Act, who are the relevant local authorities?

Please write your answer here:

Southland Regional Council  
Southland District Council  
Invercargill City Council

What applications have you already made for approvals on the same or a similar project?

Please write your answer here:

In 2016 Sanford prepared a strategy to grow its King salmon business, which included a review and development plan for its freshwater hatcheries, existing and new ocean farms (waterspace) and processing capacity.

Step One of the strategy was targeted at maximising the existing Big Glory Bay Stewart Island waterspace asset and included a successful application to increase the 'bay-wide nitrogen' cap and relocation of some of the marine farming sites within Big Glory Bay took four years and has cost **s 9(2)(b)(ii)** in consenting costs. This work has taken the Big Glory Bay production from a 3,200 GWT business to a 5,200 GWT (now) and in the future closer to 6,000 GWT.

Step Two of the 2016 growth strategy has focused on locating and developing two new open ocean farms, this work began in 2017 and has generated a RMA consenting spend to date of **s 9(2)(b)(ii)** – consents are now lodged for two new farms and both applications are posed to go through public notification. Contingent on the grant of the open ocean consents. Sanford is also building a new freshwater hatchery that will deliver King salmon smolt at 500 grams or more, to the ocean farms, the design and consenting spend for the hatchery is in excess of **s 9(2)(b)(ii)** to date. In summary the Sanford salmon business has spent **s 9(2)(b)(ii)** on RMA consultants and consenting with three significant hurdles still to be negotiated for the open ocean sites and the hatchery/processing plant as well as public notification, hearing and the resolution of any appeals.

As to the Makarewa Hatchery specifically, an application has been lodged and is being processed for the land use consent from the Invercargill City Council for the wastewater pipeline.

Sanford has also applied for the Trade Waste Permit under the Invercargill Trade Waste Bylaw and this application is in progress.

The above background illustrates that the Fast Track will be a more efficient and cost-effective process, and will enable Sanford to deliver on its 2016 growth strategy and have pens and fish in the water much faster. In particular, the money saved on protracted consenting processes can instead be invested in baseline monitoring, finalising the design and procurement of the pens and vessels.

Is approval required for the project by someone other than the applicant?

No

Please explain your answer here:

N/A

If the approval(s) are granted, when do you anticipate construction activities will begin, and be completed?

Please write your answer here:

Beginning: Upon grant of all the consents Sanford will be shovel ready within six months. The design of the Makarewa hatchery is well underway and some consent applications are lodged.

Completed: It is anticipated that it will take two years from the start of construction to the first smolt transfer from the hatchery to Big Glory Bay. The estimated completion date is 2026 for Stage One and 2028 for Stage Two.

Milestones;

Milestone One: Post grant of consents Sanford will immediately proceed to finalise funding and procure the delivery of build supplies.

Milestone Two: Completion and sign off of Standard Operating Procedures and recruitment of staff.

Milestone Three: First production of smolt and first transfer to farm.

Milestone Four: Quarterly production of smolt to capacity of 1.5 million. In conjunction with securing the Project East open ocean consents, scope Stage Two Makarewa Hatchery extension.

Milestone Five: Secure funding and proceed to build Stage Two extension.

Funding – Sanford is a publicly listed New Zealand company with an extensive suite of funding arrangements including lease, lease to buy, joint venture ownership and 100% company owned.

### Section 3: Consultation

Who are the persons affected by the project?

Please write your answer here:

Local Authority - Southland Regional Council, Southland District Council, Invercargill City Council

Iwi Authority – Te Rūnanga o Ngāi Tahu

Papatipu Rūnanga – Te Rūnanga o Waihōpai, Te Rūnanga o Awarua

Detail all consultation undertaken with the persons referred to above. Include a statement explaining how engagement has informed the project.

Please write your answer here:

Local Authority - Southland Regional Council, Southland District Council and Invercargill City Council ongoing consultation and liaison.

Consultation with Southland Regional Council has meant that the wastewater produced from the hatchery will no longer be discharged to the Makarewa River or adjacent land as originally proposed. Instead it is proposed to be discharged to the Invercargill City Council wastewater network.

Iwi Authority – plans for the Makarewa hatchery have been shared with Te Runanga o Ngai Tahu as part of Southland regional economic development working groups.

Papatipu Rūnanga – ongoing engagement via Te Ao Mārama, and direct engagement with Te Rūnanga o Awarua.

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Describe any processes already undertaken under the Public Works Act 1981 in relation to the land or any part of the land on which the project will occur:

Please write your answer here:

N/A

### Section 4: Iwi authorities and Treaty settlements

What treaty settlements apply to the geographical location of the project?

Please write your answer here:

The Ngāi Tahu settlement includes a Statutory Acknowledgement Area for the Oreti River (Allocation Plan MD 123 (SO 12262)). The Makarewa River flows into the Oreti River, however as outlined in the effects assessment section the application proposes to establish and impose a minimum flow requirement for the Makarewa River to appropriately manage any potential adverse effects.

The Invercargill City wastewater discharge discharges to the New River Estuary, which is likely part of the Oreti Statutory Acknowledgement Area. However, the Invercargill City wastewater discharge is already consented with that consent held by Invercargill City Council.

Are there any Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019 principles or provisions that are relevant to the project?

No

If yes, what are they?:

Are there any identified parcels of Māori land within the project area, marae, and identified wāhi tapu?

No

If yes, what are they?:

Is the project proposed on any land returned under a Treaty settlement or any identified Māori land described in the ineligibility criteria?

No

Has the applicant has secured the relevant landowners' consent?

Yes

Is the project proposed in any customary marine title area, protected customary rights area, or aquaculture settlement area declared under s 12 of the Māori Commercial Aquaculture Claims Settlement Act 2004 or identified within an individual iwi settlement?

No

If yes, what are they?:

Has there been an assessment of any effects of the activity on the exercise of a protected customary right?

No

If yes, please explain:

Upload your assessment if necessary:

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## Section 5: Adverse effects

What are the anticipated and known adverse effects of the project on the environment?

Please describe:

Sanford commissioned a number of independent technical experts to undertake detailed assessments of the potential effects of the Makarewa Hatchery on the surrounding environment, including the Makarewa River, and to provide advice on how those effects could be appropriately managed such that they align with the expectations of the RMA and the relevant statutory planning documents.

In summary:

There will be minimal to no adverse effects associated with the land use aspects of the project, it being a primary production activity on an industrial site, therefore buildings and associated activity (such as traffic and noise) are anticipated in the area. Any necessary design measures, such as screening, will be able to be implemented to manage any potential adverse visual effects.

The effects associated with hazardous substances storage will be less than minor as systems are able to be put in place to manage this aspect of the project.

A contaminated land assessment has established that any effects associated with the disturbance of contaminated soil can be managed in accordance with an appropriate Site Management Plan.

In relation to the water take, an ecological assessment has confirmed an appropriate approach to minimum flows for the Makarewa River and the project will incorporate a minimum low flow. In addition, fish screening and any other necessary measures will be installed as per the standards specified in the Proposed Southland Water and Land Plan. There will accordingly be no more than minor ecology effects.

A stormwater discharge consent is already held for the site which will be able to be relied upon for the project.

In terms of wastewater, the effects of the proposed pipeline for wastewater into the Invercargill City Council scheme have been assessed as being less than minor, with the Council's agreement in principle obtained.

Overall, the key conclusions of these reports confirm the environmental effects of the Makarewa Hatchery can be managed in a manner which aligns with the expectations of the RMA and planning documents which apply to this area, resulting in a no more than minor overall effects assessment.

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## Section 6: National policy statements and national environmental standards

What is the general assessment of the project in relation to any relevant national policy statement (including the New Zealand Coastal Policy Statement) and national environmental standard?

Please write your answer here:

The National Policy Statement for Freshwater Management applies to the application. Mana whenua will be consulted with about the project and the effects on the river are no more than minor, so it is expected that the project will be generally consistent with the provisions of this national policy statement.

The only relevant national environmental standard is the National Environmental Standard for Assessing and Managing Contaminants in Soil. As outlined earlier in this application, the applicant has undertaken a contamination assessment which has confirmed that all potential effects in this respect can be satisfactorily managed by way of a Site Management Plan.

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## Section 7: Eligibility

Will access to the fast-track process enable the project to be processed in a more timely and cost-efficient way than under normal processes?

Yes

Please explain your answer here:

Sanford has significant experience in consenting marine farm projects, including hatcheries, across New Zealand and its experience has shown the many nuances and difficulties and associated time and costs under the standard RMA process. Project East and Project South, for example, have been in the consenting process for several years and has faced significant external and internal delays.

As a project that will enhance aquaculture significantly in New Zealand and that will deliver significant economic benefits to the region and country more widely, the Makarewa Hatchery will have significant regional and national benefits. As such, it is an ideal candidate for the fast-track process so that it can be processed in a more timely and cost-efficient way. In particular, the fast-track process will ensure that the project has:

- A significantly accelerated consenting process, allowing the project to proceed to development and construction faster and more efficiently;
- Stimulated the economic growth projections more quickly, with the flow on effect of creating new jobs at both the hatchery (10 full time employees) and on the ocean farms (300 at full development on open ocean) and in processing and stimulating the relevant local economies faster; and
- Ensured costs of the project development are capped and maintained at reasonable levels due to its expediency.

What is the impact referring this project will have on the efficient operation of the fast-track process?

Please write your answer here:

The purpose of the Fast-Track Approvals Bill 2024 is to facilitate the delivery of infrastructure and development projects with significant regional or national benefits in a streamlined manner. It seeks to accelerate approvals for projects that contribute to the overall well-being and growth of communities.

Enabling the Makarewa Hatchery, which is fundamentally linked to production at Big Glory Bay and Project East, to proceed under the accelerated process strongly aligns with the purpose and efficient operation of the fast-track process. The project clearly meets the requirements of the Bill for eligibility and referring the project will speed up the delivery of a significant aquaculture project for the benefit of the Otago region and New Zealand more widely.

The purpose, objectives and scope of the project are clearly defined, which will assist future decision-makers in taking a streamlined approach to consideration of the application for the necessary approvals.

The Bill seeks to strike a balance between thorough assessment and getting important projects moving. The Makarewa Hatchery is extremely well-placed to achieve these imperatives. It will result in significant regional and national benefits in the establishment of aquaculture activity to support and further develop this important industry and deliver significant economic benefits. The Makarewa Hatchery is therefore highly consistent with the efficient operation of the fast-track scheme.

In addition, Sanford has a proven track record and international reputation in developing and operating successful marine farms and associated facilities across Aotearoa. Sanford is poised to begin its pre-development work for the project and can invest immediately once consent is granted. There can be confidence in Sanford's ability to deliver the Makarewa Hatchery through this process.

Has the project been identified as a priority project in a:

Central government plan or strategy

Please explain your answer here:

The Beyond Southland 2025 Development Strategy, in which aquaculture has been mentioned as part of the "just transition". The project will accordingly make a significant contribution to the outcomes sought by this strategy.

The New Zealand Aquaculture Strategy - to enable aquaculture to be a \$3 billion industry by 2035 and be a more significant part of a lower emissions economy. Maximising the value of existing farms through innovation, by enabling the more efficient use of Sanford existing King salmon assets. The project will increase the volume of high value King salmon products available to the global market.

The New Zealand Aquaculture Strategy identifies that New Zealand's aquaculture industry is well placed to help meet growing international and domestic demand for sustainable and ethically produced seafood. The Makarewa Hatchery will enable New Zealand seafood exports to make a pivotal contribution to GDP.

For more than five years Sanford has actively collaborated with the Government and science industry in identifying and scoping the opportunities and challenges/solutions for delivering open ocean aquaculture – Sanford has shown commitment and willingness to engage and contribute to the Government's priorities and outcomes in this area.

Will the project deliver regionally or nationally significant infrastructure?

National significant infrastructure

Please explain your answer here:

The infrastructure associated with the Makarewa Hatchery will deliver significant regional and national benefits.

The Makarewa Hatchery will provide significant support to the regional and national aquaculture industry in that it represents substantial growth in overall King salmon production. Overall, Sanford's new and expanded infrastructure will increase production from a 5,500 GWT business (2023) to a 30,000 GWT business over the next five plus years (2030) and more.

As a result, the Makarewa Hatchery will also deliver significant economic benefits to the region and country by way of GDP growth through the significantly increased production in the short and longer term and flow on employment and other benefits.

Will the project:

contribute to a well-functioning urban environment

Please explain your answer here:

The Makarewa Hatchery will contribute to employment and wealth generation in the region and more broadly. Well-functioning urban environments include those in which there is wide and varied access to employment for communities.

Will the project deliver significant economic benefits?

Yes

Please explain your answer here:

The Makarewa Hatchery will make a significant contribution to the social and economic wellbeing of people and communities in the Otago region and beyond, through the contribution to:

- a sustainable, good health food resource;
- export revenue; and
- the employment and wages it would inject into the economy by both permanent staff and the wide use of local contractors.

The Makarewa Hatchery would also contribute positively to the broader development of New Zealand's aquaculture industry. This includes making a significant contribution to delivering the government's Aquaculture Strategy which identifies the potential for aquaculture to move from a \$600 million, to a \$3 billion industry in New Zealand by 2035, and be a more significant part of a lower emissions economy.

Will the project support primary industries, including aquaculture?

Yes

Please explain your answer here:

The project will open up further development opportunities within Big Glory Bay Stewart Island without needing to change any of the Environmental Quality Standards and bay-wide nitrogen (feed-in) cap. The project is also proposed to support Project East if approvals are obtained.

Will the project support development of natural resources, including minerals and petroleum?

No

Please explain your answer here:

Will the project support climate change mitigation, including the reduction or removal of greenhouse gas emissions?

Yes

Please explain your answer here:

Sustainability is at the heart of Sanford's business and its sustainability agenda focuses on six performance outcomes, aligned with our operational processes and long term vision. This includes a commitment to supporting New Zealand's climate change response by setting meaningful targets and actively reducing our energy consumption and emission of greenhouse gases and introducing low carbon solutions within our value chain where practicable.

Specifically as it relates to the Makarewa Hatchery, the project removes the reliance on Sanford's existing run-of-river Kaitangata hatchery on the Clutha River. It will enable increased food production on the same footprint.

This project will support climate change mitigation at an industry level as innovation and technology is further introduced across the sector.

Will the project support adaptation, resilience, and recovery from natural hazards?

Yes

Please explain your answer here:

This project supports adaption and resilience to risk of climate change by moving some of the Sanford King salmon business 'inside buildings' and stops the reliance on nature's elements.

Will the project address significant environmental issues?

Yes

Please explain your answer here:

The Makarewa Hatchery project enables more control of both the water intake and discharges in relation to smolt production. While the discharge is currently not a significant adverse effect, it will enable Sanford to manage its King salmon business through a changing climate. The project will also deliver a healthy sustainable food option that can help feed the world.

Is the project consistent with local or regional planning documents, including spatial strategies?

Yes

Please explain your answer here:

Relevant planning documents include:

- Southland Regional Policy Statement
- Proposed Southland Water and Land Plan
- Southland Regional Water Plan
- Invercargill City District Plan

This project will meet and be consistent with all local planning requirements.

Anything else?

Please write your answer here:

Does the project includes an activity which would make it ineligible?

No

If yes, please explain:

## Section 8: Climate change and natural hazards

Will the project be affected by climate change and natural hazards?

Yes

If yes, please explain:

The Makarewa Hatchery has been designed to reduce and manage climate change and natural hazard risks.



## Section 9: Track record

Please add a summary of all compliance and/or enforcement actions taken against the applicant by any entity with enforcement powers under the Acts referred to in the Bill, and the outcome of those actions.

Please write your answer here:

Local authority: Canterbury Regional Council

Compliance / Enforcement Action and Outcome: Canterbury Regional Council issued an abatement notice for CRC030315 in relation to fish thaw water discharge from Sanford's Timaru fish processing plant in 2019. Sanford complied with the notice and no further action was taken by Canterbury Regional Council.

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## Declaration

Do you acknowledge your submission will be published on environment.govt.nz if required

Yes

By typing your name in the field below you are electronically signing this application form and certifying the information given in this application is true and correct.

Please write your name here:

Alison Undorf-Lay

Important notes