

Response ID ANON-URZ4-5FYP-S

Submitted to Fast-track approval applications
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Submitter details

Is this application for section 2a or 2b?

2A

1 Submitter name

Individual or organisation name:
Ngāi Tahu Seafood Resources Limited

2 Contact person

Contact person name:
Thomas Hildebrand

3 What is your job title

Job title:
Marine Biologist

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:

P O Box 3787
Christchurch

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

Yes

Organisation:
Stantec New Zealand

Contact person:
Frances Lojkine

Phone number:
s 9(2)(a)

Email address:
s 9(2)(a)

Job title:
Senior Principal Planner

Please enter your service address:

P O Box 13-052
Christchurch 8141

Section 1: Project location

Site address or location

Add the address or describe the location:

The proposed site is located in the coastal marine area, 2 – 6km off the northern coast of Rakiura/Stewart Island, 13km north-west of Oban (see attached Figure 1).

File upload:

Figure 1.docx was uploaded

Upload file here:

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

No

upload file:

No file uploaded

Who are the registered legal land owner(s)?

Please write your answer here:

The coastal marine area (CMA) is incapable of ownership by the Crown, or any other person. However, the Crown needs to endorse applications in the CMA and Ngāi Tahu, who is also the applicant, must be notified as an applicant under the Marine and Coastal Area (Takutai Moana) Act and as Mana Whenua.

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:

The applicant has no legal interest in the land on which the project will occur, however, as the land is incapable of ownership by any party currently, this has no effect on the applicant's ability to undertake the work.

Section 2: Project details

What is the project name?

Please write your answer here:

Hananui Aquaculture Project

What is the project summary?

Please write your answer here:

The proposed project is the development of an approximately 2,500 hectare site for finfish farming. Estimated full production potential of 16,000 tonnes of fish per annum or more is proposed, using 25,000 tonnes of feed per annum. Within the proposed area four marine farms are proposed, and each farm would be separated from the others to ensure potential biosecurity and other effects are appropriately managed.

What are the project details?

Please write your answer here:

The project site sits within the Ngāi Tahu takiwā (area). Ngāi Tahu Seafood is a wholly owned subsidiary of Ngāi Tahu Holdings Limited, which is in turn owned by the Ngāi Tahu Charitable Trust. Te Rūnanga o Ngāi Tahu is the sole Trustee of the Ngāi Tahu Charitable Trust and is the governing body responsible for the rights and interests in relation to Ngāi Tahu settlement assets, resources, and people within the Ngāi Tahu takiwā. Te Rūnanga o Ngāi Tahu is governed by 18 Papatipu Rūnanga, with the Murihiku Papatipu Rūnanga participating closely in the development of the Hananui Aquaculture project.

Ngāi Tahu has a long-standing and active interest in the protection, and sustainable use and development of coastal waters within the realm of Tangaroa. Ngāi Tahu sees the opportunity for open water finfish aquaculture to sustainably complement New Zealand's wild fisheries resources and contribute to tribal development and welfare. This interest, in combination with the Murihiku (Southland) settlement under the Māori Commercial Aquaculture Claims Settlement Act 2004 has provided the impetus for the development of the project.

The project is consistent with both Ngāi Tahu Seafood's and the wider Te Rūnanga o Ngāi Tahu Group's mandate to build a strong economic base for the iwi while demonstrating Ngāi Tahu values in everything that is done. The purpose and objectives of the project are to realise the opportunity for sustainable aquaculture development in the area that will provide for Ngāi Tahu food security, economic development, and employment. In addition the project offers significant economic and employment benefits for the Murihiku/Southland community, is consistent with the Southland Regional Development Action Plan developed in 2017 (which envisages aquaculture as a transformative industry in Southland) and would help to achieve the New Zealand Aquaculture Strategy, particularly its goal to facilitate offshore aquaculture as a way of achieving the desired returns from the industry to the New Zealand economy.

At the proposed site, the project involves:

- Development up to a discharge of 25,000T of feed per annum for the purpose of growing finfish, delivered in two stages;
- The construction and operation of four marine farms using polar circle pens, and their associated mooring lines, anchors and anchor blocks and feed and accommodation barges;
- Installation of navigational aids, including buoys, marks and lighting, to indicate the proposed site to seafarers and to mark any navigational risks;
- Monitoring, surveying and sampling activities (both before construction commences and during operation of the marine farms), including of the water column, seabed, sea birds, marine mammals and sharks;
- All activities associated with the principal activities listed above that are controlled by the Resource Management Act 1991.

The proposed farms will operate using a single-year class farming approach, which is best practice internationally. Single-year class farming involves the introduction of a single generation (year-class) of fish to each farm and their growth from smolt to harvest weight, followed by a fallowing period before restocking of the farm. This approach contrasts with much of the current New Zealand finfish aquaculture industry, where new generations of fish are regularly introduced to a site (resulting in multiple year classes on any one site) to provide a constant harvest supply. Rotational stocking of the farms will be used to provide fallow periods for each farm site and to produce year round production of fish from the site.

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

Please write your answer here:

The project is proposed to be developed in two stages, with monitoring of the effects of the first stage guiding development of the second stage.

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

Please write your answer here:

Resource consents are required under the Resource Management Act 1991.

As the project involves aquaculture activities, an aquaculture decision under the Fisheries Act 1996 is also required from the Chief Executive of the Ministry for Primary Industries.

As the project may involve incidental interactions with marine wildlife and bird species (through the species interacting with structures and vessels rather than through direct interference with species by the applicant) a wildlife permit may be required under the Wildlife Act 1953.

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

Please write your answer here:

Environment Southland

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

Please write your answer here:

There are no current applications for the proposed Hananui Aquaculture Project.

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

No

Please explain your answer here:

There are no relevant third parties who need to give approval for the project other than the regulatory authorities listed in this application.

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

Please write your answer here:

Ngāi Tahu Seafood anticipates that a period of 12 – 24 months of baseline monitoring will be required before any structures are installed on site. Construction of the infrastructure for the project would also commence once consent has been granted and would include:

- Supply agreements;
- Vessel procurement, outfitting and construction;
- Barge construction and commissioning;
- Mooring, pen and net construction and assembly.

Smolt and broodstock will also need to be produced for the operation.

Ngāi Tahu Seafood forecasts that it will take 3 – 5 years to complete the construction phase of the project.

At the end of the construction phase salmon farming would commence at the site. If monitoring over time shows that the full proposed development can proceed at the site, the overall development is likely to take approximately 5-8 years.

Section 3: Consultation

Who are the persons affected by the project?

Please write your answer here:

The relevant local authority is Environment Southland.

The relevant iwi authority is Te Rūnanga o Ngāi Tahu.

The relevant treaty settlement entity is Te Rūnanga o Ngāi Tahu.

There are no relevant protected customary rights groups, although Te Rūnanga o Ngāi Tahu has made an application.

There are no relevant customary marine title groups, although Te Rūnanga o Ngāi Tahu has made an application.

Nga Hapu o Ngati Porou will not be affected by the project.

There are no persons with a registered interest in land that may need to be acquired under the Public Works Act 1991 in relation to the Hananui Aquaculture Project.

Other than the parties discussed above, Ngāi Tahu Seafood Resources considers that the following persons are likely to be affected by the project:

- Papatipu rūnanga of Ngāi Tahu ki Murihiku – Awarua Rūnanga, Waihōpai Rūnanga, Ōraka-aparima Rūnanga and Hokonui Rūnanga;
- Tītī Islands Administering Body
- Tītī Islands Committee
- Te Whaka a Te Wera Mātaitai Committee members
- Rakiura Māori Land Trust
- Maritime New Zealand
- South Port Ltd
- Commercial Fishing Sector representatives – Bluff Oyster Management Company, BC05 Association, Paua Management Action Committee, CRA8, Fisheries Inshore New Zealand

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:

Work on the Hananui Aquaculture Project commenced in 2018. In 2019 the following initial engagement activities were undertaken:

- February 2019 – hui with chairs of papatipu rūnanga to provide an outline of the project and seek guidance on how best to consult with papatipu rūnanga;
- September/October 2019 – meetings with chairs of papatipu rūnanga to explain the project, its possible environmental effects, and measures to avoid, remedy or mitigate effects, and to provide an opportunity for questions from rūnanga to the project team;
- September/October/November 2019 - meetings with Tītī Islands Administering Body, Tītī Islands Committee, Te Whaka a Te Wera Mātaitai Committee members and Rakiura whānau to explain the project, its possible environmental effects, and measures to avoid, remedy or mitigate effects, and to provide an opportunity for questions from rūnanga to the project team.

In November 2019 applications for consents under the Resource Management Act 1991 for the project were lodged with Environment Southland.

Throughout 2020 the following engagement activities were undertaken:

- February 2020 – meetings with papatipu rūnanga to inform cultural impact assessment in preparation
- February 2020 – presentation to Te Rūnanga o Ngāi Tahu – Te Aparangi
- June 2020 – initial meeting with Department of Conservation staff to discuss project
- August 2020 – discussion with Maritime New Zealand about any potential navigational concerns at the site (resulted in a recommendation to also discuss with the Environment Southland Harbour Master)
- August 2020 – hui with chairs of papatipu rūnanga to provide a project update
- August 2020 – informal meetings with Bluff Oyster Management Company members
- August 2020 – meeting with Bluff Oyster Management Company Operations Manager, CRA8 chairman and Paua Management Action Committee chairman (the latter attending by phone)
- September 2020 – discussion with Environment Southland Harbour Master about any potential navigational concerns at the site (resulted in a recommendation to also discuss with South Port Ltd)
- October 2020 – update presented at BC05 AGM
- November 2020 – discussion with South Port Ltd about the proposed site and effects on ship anchoring areas, confirmed appropriateness of project site
- March 2021 – hui with papatipu rūnanga

In May 2021 application was made to the Minister for the Environment and the Minister of Conservation for the Hananui Aquaculture Project to become a referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020. On 2 February 2022 Ngāi Tahu Seafood was advised that the Ministers had decided to refer the project under the CRFTCA.

In preparation for the consent application under the CRFTCA, throughout 2022 consultation activities on the project continued. Ngāi Tahu Seafood worked with a Manawhenua Working Group convened to assist the project team. The Manawhenua Working Group consisted of a representative of each

papatipu rūnanga and staff from Te Ao Marama Inc (the organisation that represents Ngāi Tahu ki Murihiku tangata whenua for resource management and local government purposes). This group reviewed all of the draft management plans prepared to support the application and ensured that they met papatipu rūnanga needs and addressed issues and concerns, and reviewed the overall application to ensure that the proposed Hananui Aquaculture Project would have minimal adverse effects and would uphold Ngāi Tahu values, including Kaitiakitanga, Rangatiratanga and Tikanga.

To support the application and assist the Expert Consenting Panel under the CRFTCA, Ngāi Tahu Seafood also commissioned Ngāi Tahu ki Murihiku to undertake a cultural values report and a cultural impact assessment, and an Āpiti Hono Tātai Hono assessment of the cultural landscape and context within which the project is proposed. This assessment involved Ngāi Tahu ki Murihiku representatives travelling to the proposed site and exercising their kaitiakitanga role to advise the project team of mana whenua associations with the site and its surrounding area, and how these associations should best be respected in the development of the project.

Consultation activities undertaken throughout this period were as follows:

- June 2021 – presentation to Rakiura Māori Land Trust and question and answer session on the project
- July 2021 – technical hui with Department of Conservation and Environment Southland, agreement to prepare draft management plans for marine species as part of the consent process, rather than being required through consent conditions;
- September 2021 – series of technical hui with Department of Conservation, Fisheries New Zealand and Environment Southland to discuss draft seabed management and monitoring recommendations;
- October 2021 – presentation to Rakiura Māori Land Trust, resulted in the majority of trustees indicating they were happy to support the Hananui application;
- November/December 2021 - series of technical hui with Department of Conservation and Fisheries New Zealand on draft marine species management plans, with the draft plans updated to reflect input from Department of Conservation and Fisheries New Zealand;
- February 2022 – hui with Manawhenua Working Group on draft marine species management plans, with the draft plans subsequently updated to reflect feedback from the Manawhenua Working Group;
- February 2022 – hui with Biosecurity New Zealand, with updates made to the draft biosecurity management plan
- June 2022 – hui with Fisheries New Zealand to agree an approach to the draft seabird management plan in relation to the Government's Open Ocean Aquaculture Guidelines for seabirds
- June 2022 – Rakiura Community Benefits and Aspirations hui, involving presentation of the project and a proposal from Ngāi Tahu Seafood for the establishment of three charitable trust funds, Community, Environmental, and Health & Education, to be established and funded assuming the Hananui site is consented, and once commercial salmon production commences;
- July/August 2022 – further hui with Department of Conservation, Fisheries New Zealand and Environment Southland to continue discussions on application and draft management plans;
- September 2022 – hui with Manawhenua Working Group and papatipu rūnanga representatives to seek guidance on incorporation of the Āpiti Hono Tātai Hono assessment into application;
- October 2022 – Bluff and Rakiura community drop in sessions – information sessions for the local communities
- October 2022 – final pre-lodgement hui with Manawhenua Working Group to review final consent application. A key outcome of this hui was an agreement between Ngāi Tahu Seafood and the manawhenua representatives present that a consent term of no more than 25 years would be sought, recognising the generational management of activities that Ngāi Tahu ki Murihiku practices.

Application for consent was made under the CRFTCA in November 2022, and the RMA application to Environment Southland was formally withdrawn. As part of the CRFTCA process Ngāi Tahu Seafood continued to consult with key stakeholders to ensure a robust and widely accepted suite of proposed consent conditions was available to assist the Expert Consenting Panel. Consultation took place on consent conditions with the Manawhenua Working Group, Ministry for Primary Industries (through Fisheries New Zealand and Biosecurity New Zealand), Department of Conservation and Environment Southland (including the Southland Harbour Master). This resulted in proposed conditions that had broad acceptance amongst key stakeholders with few matters unresolved.

The process adopted for consideration of the application by the Expert Consenting Panel under the CRFTCA was deeply unsatisfactory to Ngāi Tahu Seafood, resulting in errors and procedural shortcomings, and ultimately a decision to refuse consent. That decision is subject to a High Court appeal on questions of law and a judicial review.

Following the decision to refuse consent under the CRFTCA Ngāi Tahu Seafood has engaged in discussions with Environment Southland and the Ministry for Primary Industries, where the shortcomings of the decision have been discussed and consideration given to how best to ensure the proposed Hananui Aquaculture Project can achieve the consent it needs via an alternative process within the shortest possible timeframe.

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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:

The Public Works Act 1981 is not applicable to the project.

Section 4: Iwi authorities and Treaty settlements

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

Please write your answer here:

Ngāi Tahu Claim Settlement

The Ngāi Tahu Claims Settlement is the relevant Treaty settlement to the geographical location of the proposed Hananui Aquaculture Project. The settlement applies to the takiwā of Ngāi Tahu, which covers the majority of the South Island (Te Waipounamu), and was signed in 1997. The legislation to enact the settlement is the Ngāi Tahu Claims Settlement Act 1998 (the NTCSA), which provides the best source of information on the principles and provisions of the settlement.

As part of the NTCSA the legislation records a formal acknowledgement and apology from the Crown for its failings in relation to historic land purchases and obligations under the Treaty of Waitangi, which led to suffering and hardship for Ngāi Tahu, and harm to the tribe's welfare, economy and development. The legislation also acknowledges Ngāi Tahu as the tangata whenua of, and holding rangatiratanga within, its takiwā.

The legislation sets out a number of measures by which the Crown will atone for its past failure. Of particular relevance to the Hananui Aquaculture Project:

- The naming of Stewart Island on official maps was amended to Stewart Island/Rakiura;
- Statements made by Ngāi Tahu (outlined in Schedules 14 to 77 and 100 to 104 of the NTCSA) of the particular cultural, spiritual, historic and traditional association of Ngāi Tahu with identified areas were acknowledged by the Crown. These areas are known as Statutory Acknowledgements, and local authorities must forward consent applications in these areas to Te Rūnanga o Ngāi Tahu and have regard to the statements that make up the Statutory Acknowledgements when forming an opinion as to the affected parties for a consent application;
- Taonga species for Ngāi Tahu are identified (in Schedule 97 of the NTCSA) and the Crown acknowledges the cultural, spiritual, historic and traditional association of Ngāi Tahu with the taonga species. This identification places an obligation on the Minister of Conservation to consult with, and have particular regard to the views of, Ngāi Tahu when making policy decisions concerning the protection, management or conservation of a taonga species.

Rakiura/Te Ara a Kiwa (Rakiura/Foveaux Strait Coastal Marine Area) is subject to a Statutory Acknowledgement (the text of which is outlined in Schedule 104 of the NTCSA), which outlines Ngāi Tahu's cultural, spiritual, historic, and traditional association to Rakiura/Te Ara a Kiwa. The naming of Rakiura and Te Ara a Kiwa (Foveaux Strait) are outlined, and the link between their names and Ngāi Tahu of today identified. The Statutory Acknowledgement notes the abundance of mahinga kai available in Te Ara a Kiwa and on Rakiura, including kaimoana, bird life and plant resources. The coast is also noted as a major highway and trade route, with Te Ara a Kiwa forming a principal thoroughfare for the movement of people and resources. The Statutory Acknowledgement finishes by recording the critical importance of the mauri of the coastal area.

Treaty of Waitangi (Fisheries Claims) Settlement

Treaty of Waitangi fisheries claims have been subject to two settlements, an interim settlement in 1989 given effect to by the Māori Fisheries Act 1989, and a final settlement given effect to through the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992.

The interim settlement in 1989 included the creation of the Māori Fisheries Commission, which progressively received 10% of fish species managed through the Quota Management System and approximately \$10million to hold and manage on behalf of all Māori. The 1992 settlement included recognition by the Crown of the full extent of Māori customary rights to fishing and fisheries by providing the funds for Māori to purchase a 50% stake in Sealord (which at the time was the major owner of fishery quota in New Zealand), undertaking to provide 20% of quota to Māori for all new fisheries brought into the Quota Management System, undertaking to ensure the appointment of Māori on statutory fisheries bodies, and making regulations to allow self-management of Māori fishing for communal subsistence and cultural purposes.

Ngāi Tahu Seafood was formed in 1992 to manage the fishing quota that Ngāi Tahu received under the 1992 fisheries settlement.

Māori Commercial Aquaculture Claims Settlement

The Māori Commercial Aquaculture Claims Settlement Act 2004 (the MCACSA) provides for the full and final settlement of all Māori commercial aquaculture claims since September 1992. Of particular relevance to the Hananui Aquaculture project are the provisions in the MCACSA relating to 'new' space – space in the coastal marine area for aquaculture that has not previously been used aquaculture, with new space defined as space that is consented or forecasted to be consented from 1 January 2011. The MCACSA establishes an obligation on the Crown to provide iwi with aquaculture settlement assets equivalent in value to 20% of all space created for aquaculture development.

Allocation of settlement assets to fulfil the Crown's obligation is done region by region, with new space settlement undertaken through a 'regional agreement', an agreement between the Crown, the Iwi Aquaculture Organisations that represent iwi in a region (Te Rūnanga o Ngāi Tahu in Murihiku) and Te Ohu Kaimoana as the trustee for settlement assets. Aquaculture settlement assets can be:

- 'Authorisations' to develop aquaculture space (noting that authorisations are not resource consents, but give the holder the sole right to apply for a resource consent over that space for marine farming);
- The cash equivalent of the value of the space; or
- A combination of both

While regional agreements are being established, the Minister (currently the Minister of Oceans and Fisheries) can preserve space for meeting the Crown's obligations by notice in the Gazette that an identified area of space in the coastal marine area is an Aquaculture Settlement Area that is required to meet settlement obligations. In gazetting any space the Minister must take into account the suitability of the space for aquaculture activities, and the overall productive capacity of the anticipated new space available for aquaculture activities in each region (s12(4) MCACSA) – that is, the space must be suitable for aquaculture and be likely to be productive in order for the spirit of the Treaty to be adhered to.

In Murihiku, an area of 16.6ha has been gazetted for finfish aquaculture (Notice Declaring an Aquaculture Settlement Area off the North-Eastern Coast of Stewart Island/Rakiura (Southland Region) for the Purposes of the Māori Commercial Aquaculture Claims Settlement Act 2004 (Notice No.: MPI 1255)). The gazetted space is located adjacent to, but not contiguous with, the northern boundary line of the proposed Hananui Aquaculture project site. The coastal marine space in the vicinity of the proposed Hananui site is therefore suitable for aquaculture activities.

There is also a synergy between the proposed Hananui Aquaculture project and the gazetted space in Murihiku. The closeness of the Hananui Aquaculture project site would mean that any farming in the gazetted space could take advantage of the wider available infrastructure and economies

available through smolt supply, sharing vessels and sharing processing resources. The development of the Hananui Aquaculture Project site will not frustrate the development of the gazetted space, and in fact is likely to facilitate it.

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?

No

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:

As part of the development of the proposed Hananui Aquaculture Project Ngāi Tahu Seafood has commissioned 17 technical assessments that comprehensively consider the potential adverse effects of the project on the environment. In summary, these reports outline that the potential adverse effects on the environment could be as follows:

- The marine farm structures and feed barges would exclude the public and other commercial and recreational users of the coastal marine area from those areas of the proposed site occupied by the farm structures, but this exclusion would only occur over a small area in the context of the wider Te Ara a Kiwa/Foveaux Strait (an area of 500 ha of exclusion at full production, compared to the overall area of Te Ara a Kiwa/Foveaux Strait of 160,000 ha) and is proposed to manage biosecurity and navigational risks;
- The deposition of uneaten feed and faeces from fish farming will result in seabed enrichment, within a primary depositional footprint under and in the vicinity of the net pens and, following resuspension of seabed sediments and any associated biodeposits in the high current environment of Te Ara a Kiwa/Foveaux Strait, over a wider footprint. Seabed effects tend to be most evident directly beneath the net pens. However, sites in deep water with strong current speeds, such as the proposed Hananui Aquaculture site, will have a more dispersed depositional footprint with less concentrated enrichment than shallower sites with lower flushing ability. The proposed Hananui marine farms have been placed so that the pens are over a seabed that is mostly sand with varying amounts of shell hash, so that effects from the primary depositional footprint are unlikely to occur in areas of high value habitat (such as where there is a high level of biogenic cover). Far field deposition as a result of resuspension is generally expected to occur only at low levels that may not be easily discernible, and enrichment is anticipated to be assimilated by seabed organisms without causing measurable ecological change;
- Copper and zinc concentrations in the environment can increase as a result of finfish farming, zinc as a result of feed additives and copper generally from the use of antifouling on vessels (Ngāi Tahu Seafood does not intend to use antifouling on the net pens or mooring structures). For the Hananui Aquaculture project it is predicted that excessive concentrations of copper and zinc are unlikely to accumulate in seabed sediments;
- The seabed within Te Ara a Kiwa/Foveaux Strait and at the proposed site is very dynamic and in addition is regularly disturbed by natural processes such as storm events. Effects on the seabed from the installation of farm structures will cause some short-term disturbance of the seabed, but the level of disturbance will be less than existing bottom fishing and vessel anchoring that occurs in Te Ara a Kiwa/Foveaux Strait or experienced during the storm events that frequently occur in the area;
- Fish farming would result in changes in total nitrogen in the water column over an area of approximately 10,000 hectares along the coast of Rakiura/Stewart Island (noting that the proposed site itself is 2,500 hectares in size). Changes in total nitrogen could, in the later stages of development of the proposed site, result in a change in chlorophyll-a concentrations (which can be used as an indicator of phytoplankton abundance). However, the

magnitude of the change that has been modelled compared to existing natural variation in chlorophyll-a levels in Te Ara a Kiwa/Foveaux Strait means that it would be difficult to detect changes in the water column that were attributable to the proposed marine farms. The risk of harmful algal blooms developing at the proposed site is low, as is the risk that a bloom will arise elsewhere and then cause effects at the proposed site;

- In the vicinity of the net pens dissolved oxygen levels may decrease as a result of the respiration of a concentrated population of finfish, but they are not predicted to decrease to levels where adverse effects would occur and any decreases are predicted to be of short duration;
- Artificial underwater lighting can attract fish and other organisms, but positioning of the lights and controlling spillage of light beyond the net pens will be used to mitigate this effect;
- Structures in the water column inevitably pose some risk to marine mammals, sharks, and seabirds (in terms of entanglement and habitat displacement) that use the area, and may attract sharks. Ngāi Tahu Seafood has proactively developed draft marine species management plans in consultation with mana whenua, Environment Southland, the Department of Conservation and the Ministry for Primary Industries in order to reduce the risks to marine species to the greatest extent practicable. Small mesh size will be used for the net pens to reduce the risk of entanglement for marine species. The risks the proposal poses to marine species are no greater than the risks that have been considered acceptable for aquaculture proposals elsewhere in New Zealand;
- Finfish farming can have adverse effects on wild fish populations through changing the diet of wild fish species and through attracting fish to the area of a farm. Consumption of waste feed can lead to changes in the condition and physiology of wild fish that aggregate at the site. Effects can be managed through minimising the discharge of waste feed, tissue sampling of wild fish for contaminant levels, and monitoring fish aggregations that occur at the proposed site;
- There would be a reduction in natural character in the coastal marine area to a minor degree, but the natural character of the area would remain at its current level of moderate-high;
- There would be no adverse effects on the outstanding natural character of the nearby terrestrial environment on Rakiura;
- There would be no adverse effects on the outstanding natural landscape associated with the land and coastal interface of Rakiura/Stewart Island, and less than minor adverse effects on the general seascape landscape outside of this outstanding area;
- Existing visual amenity values would be maintained (photo-simulations of views of the proposed farms from Rakiura/Stewart Island are included in Attachment 5);
- The project will not materially impede the ability of recreational users to access the coast of Rakiura/Stewart Island from seaward or to travel along the coast, and the proposed site would be lit and marked. The project would not impede land-based recreational activity in accessing the coast. There are likely to be visual impacts for land-based recreational users but these will be less than minor, and are offset by the benefits provided by the installation of navigational aids in the area as a result of the project;
- A lighting and navigational marking scheme will be adopted to ensure risks to navigational safety are at a level that is as low as reasonably practicable and will provide a mechanism for managing residual risks;
- Disease and pest risks are unavoidable in the establishment of any activity in the coastal marine area and are particularly pertinent in this area because of the existence of the commercial oyster beds in Te Ara a Kiwa/Foveaux Strait. Ngāi Tahu Seafood has engaged recognised experts in this topic who have developed a draft biosecurity management plan to address these risks and reduce them to low to negligible;
- Some noise is likely to arise from finfish farming operations at the proposed site, and waste materials will need to be managed to avoid creating an adverse effect.

As noted in section 3 of this application, Ngāi Tahu Seafood requested and received from papatipu rūnanga a cultural values report, a cultural impact assessment and an Āpiti Hono Tātai Hono assessment of the proposed site and activities. The cultural impact assessment outlines adverse effects that Ngā Rūnanga want to see avoided, noting that some can be addressed by consent conditions and monitoring and others require ongoing discussions with Ngā Rūnanga. The Āpiti Hono Tātai Hono assessment provides specific information on the associations mana whenua have with Te Ara a Kiwa/Foveaux Strait and provides guidance about activities that may or may not be appropriate. Having visited the proposed site mana whenua advised through the Āpiti Hono Tātai Hono that the proposed was considered to be appropriate, and that the tohu that were visible and felt during the site visit attested to the development having been proposed in a way that 'allows us to fit in with the environment rather than us fitting within the environment'. Ngāi Tahu Seafood has committed to continuing engagement with Murihiku papatipu rūnanga beyond the application process, through ongoing discussions with papatipu rūnanga during the development and implementation of the project if consent is granted, and involvement of papatipu rūnanga in a Manawhenua Working Group that will be established to provide a forum for regular input on the project.

The technical assessments completed for the Hananui Aquaculture project have concluded that none of the adverse effects outlined above will be significant.

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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 relevant national policy statement is the New Zealand Coastal Policy Statement 2010 (NZCPS). There are no relevant national environmental standards (the National Environmental Standard for Marine Aquaculture relates only to replacement of consents for existing marine farms).

Policies in the NZCPS address recognition of the relationship that tangata whenua hold with the coastal environment, use of the coastal marine area and the management of adverse effects on ecological values, natural character and landscape, biosecurity, and public access. In Ngāi Tahu Seafood's assessment:

- The NZCPS recognises the contribution of aquaculture to the social, economic, and cultural wellbeing of people and communities, and sets out an intent that appropriate locations for aquaculture will be identified in regions. As the Regional Coastal Plan for Southland has not yet been reviewed, formal identification of areas for aquaculture as required by the NZCPS has not yet occurred in Southland. Nevertheless, the Hananui Aquaculture project is

proposed for an area with water quality suitable for aquaculture, effects on outstanding natural features, landscapes and natural character would be avoided, and indigenous biodiversity would be protected. The project will assist Ngāi Tahu and the Southland community to provide for their social, economic, and cultural wellbeing through its contribution to the local economy and the provision of employment;

- Policies in the NZCPS require that the principles of the Treaty of Waitangi and the principle of kaitiakitanga be taken into account in managing the coastal environment. Ngāi Tahu are tangata whenua, hold ahi kā, and are mana whenua mana moana over the proposed site. In fulfilment of its Treaty obligations, the Crown recognises Ngāi Tahu as the tangata whenua of, and as holding rangatiratanga within, the takiwā of Ngāi Tahu Whānui. Acknowledging Ngāi Tahu Seafood is a Ngāi Tahu subsidiary and is ultimately accountable to Ngāi Tahu Whānui, its development of the proposed site is consistent with objectives and policies that seek to provide for tangata whenua aspirations. Ngāi Tahu Seafood will undertake the activities associated with the project consistent with tangata whenua values for the coastal marine area;
- Potential effects on the seabed and water column are relevant to the provisions of the NZCPS that seek the maintenance of the integrity, form, functioning and resilience of the coastal environment. Significant adverse effects on the seabed and in the water column are not anticipated as a result of the Hananui Aquaculture project, and their integrity, form, functioning, and resilience is expected to remain;
- In relation to Policy 11 of the NZCPS a number of marine mammals and seabirds, and one species of shark that are listed as threatened or at risk are found in the area of the proposed site. Assessments carried out by marine mammal, seabird and shark experts have concluded that risks to these species can be appropriately managed through consent conditions, and implementation of management plans and good practice;
- In relation to Policies 13 and 15 of the NZCPS, a landscape, natural character and visual amenity assessment has been carried out, which has concluded that there will be no adverse effects on areas of outstanding natural landscape or outstanding natural character, and there will only be a low level of effect (so not significant) on other landscape and natural character areas. Visual amenity values are not anticipated to be adversely affected to more than a very low degree, and in general the existing amenity values will be maintained. From a cultural perspective the Āpiti Hono Tātai Hono assessment has concluded that the development is appropriate. The findings of the detailed assessment carried out for Ngāi Tahu Seafood are consistent with earlier work commissioned by Environment Southland which assessed the landscape and natural character values of the Rakiura coast generally;
- As noted earlier in this application, consistent with Policy 12 of the NZCPS Ngāi Tahu Seafood has commissioned recognised experts to prepare a draft biosecurity management plan to manage the risks of adverse effects on the coastal environment from a biosecurity perspective;
- Access to and along the coastline will not be affected by the proposal, and on the sea surface the spacing of the proposed marine farms will ensure that access remains available through the proposed site for small recreational vessels, consistent with Objective 4 of the NZCPS.

Overall therefore it is Ngāi Tahu Seafood's opinion that the Hananui Aquaculture project is an appropriate use of the coastal marine area that will provide economic, social and community benefits in Murihiku/Southland. While adverse effects are possible as a result of the project, they can all be managed so that the activity is consistent with the relevant policies of the NZCPS and the objectives of the NZCPS are still achieved in Murihiku/Southland.

Ngāi Tahu Seafood notes that an Expert Consenting Panel appointed to consider a resource consent application for the Hananui Aquaculture Project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 concluded that the project would be inconsistent with Policies 11, 13 and 15 of the NZCPS. Ngāi Tahu Seafood does not agree, and that decision is subject to High Court appeal proceedings. However, for any application for consent made under the Fast Track Approvals Act Ngāi Tahu Seafood intends to make modifications in order in part to address matters raised by the previous Expert Consenting Panel while still maintaining a viable project.

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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:

The fast-track process is likely to be faster than the Resource Management Act 1991 process. Recent experience with open ocean aquaculture consent applications under the Resource Management Act 1991 is that even though the move offshore is strongly supported by Government policy and strategy and significantly reduces adverse effects, consent processes are still prolonged (The New Zealand King Salmon Company Limited's offshore site in Cook Strait for example took 4.5 years to receive consent from the date the consent application was lodged).

At present the proposed Hananui Aquaculture Project is stalled under both processing pathways available to it – the Resource Management Act 1991 and the COVID-19 Recovery (Fast-track Consenting) Act 2020. With respect to the CRFTCA, even though the act has been repealed a live appeal with the High Court and a judicial review of the expert consenting panel's process remains for the project. These proceedings have no current timetable and have not been set down for hearing by the High Court. Ngāi Tahu Seafood's expectation is that if High Court proceedings are ultimately successful the result would be that the application under CRFTCA would be remitted back to another Expert Consenting Panel for reconsideration under that now repealed Act. With respect to the RMA any application for the proposed Hananui Aquaculture Project would have to start again from the beginning of the process with Environment Southland. Any application would very likely be publicly notified and it is anticipated that the Council reporting and hearing process would take up to 12 further months. Following a Council decision, much greater appeal rights exist in relation to decisions, that could potentially add several more years to the consenting process.

A significant advantage the new fast-track process offers for the Hananui Aquaculture Project compared to either the RMA or CRFTCA processes is the ability to more readily put the provisions of the Regional Coastal Plan for Southland in a more appropriate context. This plan has recently been described by the Ministry for the Environment as both "out of date" and "out of step" and the new fast-track process will allow a decision to be made that both recognises the significant contributions the project will bring, while also acknowledging that the relevant planning provisions in the Regional Coastal Plan made under the RMA are no longer fit for purpose and should be weighted accordingly

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

Please write your answer here:

The project is large and is supported by a wealth of technical information. While time will be necessary for the expert panel to understand that information, the amount of work done on the project to date means that further information should not be required. As noted in section 6 of this application Ngāi Tahu Seafood intends to make modifications in order in part to address matters raised by the previous Expert Consenting Panel, which will mean that those issues do not need to be traversed again. Ngāi Tahu Seafood will supply a comprehensive set of proposed consent conditions, which have already been subject to significant discussion with mana whenua, Environment Southland, the Department of Conservation and the Ministry for Primary Industries, and which have been updated in response to comments made by parties through previous processes.

The Hananui Aquaculture Project is not considered likely to cause any greater impact on the efficient operation of the fast-track process than any similar large scale project that the Fast-Track Approvals Act is designed to provide a consenting pathway for.

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

Central government plan or strategy

Please explain your answer here:

The Government's New Zealand Aquaculture Strategy (2019) identifies offshore aquaculture as one of the key components of delivering an aquaculture industry that has \$3 billion in sales by 2035.

The Southland Regional Development Strategy Action Plan (2016), a regional strategy prepared for and endorsed by the Southland Mayoral Forum, representing all four local authorities in Southland, identifies aquaculture as a key contributor to the strategy's aim to diversify the Southland economy, stating that 'Aquaculture is the single greatest opportunity to create a new comparative advantage for Southland on an international scale'.

Previous Minister for the Environment and Minister of Conservation considered that the proposed Hananui Aquaculture Project was consistent with the purpose of the CRFCA and recognised the benefits that the project would have for employment and economic growth in Southland and New Zealand.

Will the project deliver regionally or nationally significant infrastructure?

National significant infrastructure

Please explain your answer here:

The Hananui Aquaculture Project will be capable of producing, on its own, an annual salmon harvest more than 50% larger than the combined production from existing operating marine farming of salmon in New Zealand. Implementing the project would more than double current production capacity, which makes it a nationally significant project.

Consequential effects from the proposed Hananui Aquaculture Project would include additional infrastructure built or upgraded to support the project, including a hatchery, wharf infrastructure at SouthPort, new warehouse facilities and new processing facilities.

In addition, because the Hananui Aquaculture Project is an "early adopter" of offshore aquaculture technology and farm management approaches the learnings will inform and accelerate the development of further offshore aquaculture opportunities elsewhere.

Will the project:

Please explain your answer here:

Will the project deliver significant economic benefits?

Yes

Please explain your answer here:

Ngāi Tahu Seafood has commissioned economic analysis of the proposed Hananui Aquaculture project as it has been developed. That analysis outlines that:

The proposed Hananui Aquaculture Project is predicted to generate \$108 - \$146 million of value-added impacts (value-added impacts broadly equates to GDP) during its construction and establishment, with about a third of that value felt in Southland. The lower end range accounts for the situation where infrastructure is required from overseas, rather than being able to be delivered from within New Zealand. Ongoing economic impacts of between \$648 million and \$1.6 billion are anticipated over a 30 year period once the marine farming is operational, again, depending on how much of the material and labour for ongoing operation can be sourced from within New Zealand. The project has the potential to act as a significant stimulus to the local infrastructure industry if construction and operational requirements can be sourced domestically to the greatest extent possible.

The project also has significant employment implications, both locally in Southland and throughout New Zealand. At full production between 960 and 1,270 employment positions would be generated, depending on the amount of feed that needs to be imported (rather than produced in New Zealand). Invercargill City, Gore District and Southland District are predicted to receive 35 – 44% of the employment benefits.

In addition, the marine farming will support new jobs and activity, and deliver a larger, more diverse economy. The activities and growth would be:

- based on the local natural assets;
- support the local engineering and boat building sectors, and support local employment;

- add value to local resources before exporting it to the rest of New Zealand and internationally, thereby supporting local employment;
- aligned with the growth ambitions of central and regional government, as well as policy direction

In addition to the construction, establishment and operational economic benefits, this diversification of the local economy has been assessed as being in the range of \$6 million to \$18.7 million per annum (depending on the discount rate adopted for the analysis).

Will the project support primary industries, including aquaculture?

Yes

Please explain your answer here:

The project is an aquaculture development.

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

Yes

Please explain your answer here:

The proposed Hananui Aquaculture Project will utilise the natural resources of the coastal marine area to support the production of aquaculture activities.

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

Yes

Please explain your answer here:

Salmon farming has a low carbon footprint, high protein retention and an efficient feed conversion ratio, making it a climate-friendly protein source. Increasing production of protein from marine sources will assist in meeting targets to reduce biogenic methane emissions by 24–47 percent below 2017 levels by 2050. Ngāi Tahu Seafood notes that there is the potential to further reduce carbon emissions associated with finfish farming in New Zealand, including:

- using solar panels, wave power and/or wind turbines at or nearby marine farms to reduce the use of diesel generators;
- storing excess power created by diesel generators during feeding in battery banks that can then be used to power amenities on feed and accommodation barges;
- transitioning to zero emission fuels (such as hydrogen) as they become proven and available in New Zealand for maritime and aquaculture use.

In addition, as the finfish farming industry grows in New Zealand the demand for feed will also grow. Feed for the New Zealand industry at present is mostly sourced from Tasmania, supplemented by feed from Chile. As the New Zealand finfish industry grows this could present the opportunity for a feed mill to be established in New Zealand using locally sourced raw ingredients to further reduce carbon emissions associated with importing feed from Australia, South America and/or Europe.

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

No

Please explain your answer here:

Will the project address significant environmental issues?

Yes

Please explain your answer here:

Historically, marine farming of salmon has occurred within enclosed waters and bays in New Zealand. Such locations, with their typically slower current speeds and shallower depths have proved difficult to manage in terms of environmental effects, particularly on the seabed through nutrient enrichment. Sites in deep water with strong current speeds, such as the proposed Hananui Aquaculture site, will have a more dispersed depositional footprint with less concentrated enrichment than the inshore sites. Providing offshore space for salmon farming will assist to transition the industry away from inshore locations and reduce the overall effects of the industry on the coastal marine area.

Ngāi Tahu Seafood will also undertake yearly general beach clean-up activities along the northern coast of Rakiura/Stewart Island, consistent with the company's previous contributions to beach clean-up activities in 2012, 2013, 2015 and 2018.

Although the Hananui Aquaculture project is primarily a marine based operation, Ngāi Tahu Seafood has a deep understanding of Ki uta ki tai – from the mountains to the sea, and how the state of the terrestrial environment can impact the marine environment and the taonga that travel between and utilise both environments. Ngāi Tahu Seafood proposes working with various organisations, including Murihiku papatipu rūnanga, local organisations and the Department of Conservation, to further determine how the proposed Hananui Aquaculture project can help protect some of our most vulnerable taonga species. Ngāi Tahu Seafood is also proposing the establishment of a Hananui Environmental Fund (as discussed earlier in this application) to support local projects and initiatives to help enhance or restore the Murihiku environment. Other examples of initiatives could include supporting research, habitat restoration and pest and predator eradication on Rakiura and surrounding islands, including the Tītī Islands and Murihiku coastal

environments.

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

Yes

Please explain your answer here:

The Southland region does not have a spatial strategy for its coastal marine area. However, in 2013 Environment Southland undertook work on an Aquaculture Zoning Plan which sought to provide overall strategic planning guidance for aquaculture in the Southland region. The Aquaculture Zoning Plan did not result in specific zones being identified for aquaculture, but it did identify areas that could technically be farmed and would be worth investigating further. The proposed Hananui Aquaculture Project has built on this work and identified a specific location that is technically feasible and does not have constraints in relation to the water column and wave environment, the ecological values in each area, adjacent land uses, and whether mataitai/customary areas and/or marine reserves existing in the vicinity. The suitability of the area for aquaculture development is also recognised by the Crown through the gazettal of an additional area next to the Hananui site under the Maori Commercial Aquaculture Claims Settlement Act 2004.

The relevant regional planning document is the outdated Southland Regional Coastal Plan (the RCP). The RCP contains a specific chapter on marine farming that recognises the potential for marine farming within the Southland coastal marine area. The chapter is not directive and does not identify areas for aquaculture development. The RCP notes that 'the Council has opted for a merit-based approach based on a case-by-case assessment of individual proposals, in appropriate locations, taking into account the values of the area within which it is proposed to locate the farming operation and the objectives and policies contained in this Plan'. It is Ngāi Tahu's assessment that the proposed Hananui Aquaculture Project is consistent with the provisions of the RCP.

Ngāi Tahu Seafood notes that an Expert Consenting Panel appointed to consider a resource consent application for the Hananui Aquaculture Project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 concluded that the project would be contrary to the objectives and policies of the RCP. Ngāi Tahu Seafood does not agree, and nor was that the position of Environment Southland. The Expert Consenting Panel's decision is subject to High Court appeal and judicial review proceedings. However, for any application for consent made under the Fast Track Approvals Act Ngāi Tahu Seafood intends to make some modifications to the previous proposal in order in part to address matters raised by the previous Expert Consenting Panel while still maintaining a viable project.

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 Government's Aquaculture Strategy 2019 notes that research is beginning into how climate change over the next 100 years may affect aquaculture in New Zealand. The project will require the provision of smolt from land-based hatcheries where research is moving in the direction of production of smolt that can better withstand the effects of climate change. Research is also ongoing in New Zealand to adapt marine farming to species that are more tolerant to increasing water temperatures. As an example, Ngāi Tahu Seafood has been working with The New Zealand Plant and Food Research Institute since 2015 to help advance tamure/snapper aquaculture. Space for marine farming in Murihiku is therefore likely to be able to be used for an evolving industry over the coming decades.

Climate projections suggest that water temperatures at the sea-surface will increase by 0.8 – 2.5oC by 2100. Climate change may have some effect on water temperatures at some times of the year at the site in the long term, but is not expected to cause significant effects within the term of any resource consent issued.

Extreme wave events (defined as a continuous 12-hour period with wave heights exceeding 4, 6 or 8 metres) are also expected to increase in southern New Zealand. Engineering design for the proposed marine farms has been based on a more detailed local model that predicts maximum 1 in 10 year and 1 in 50-year wave height and the structures, moorings and anchors have been designed to withstand these conditions.

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:

Ngāi Tahu Seafood holds consents for marine farms in Tasman, Marlborough, and Canterbury. The company also operates two seafood processing plants – one in Christchurch and one in Bluff. The following provides a list of the small number of compliance actions that have been required of Ngāi Tahu Seafood in relation to those farms:

Environment Canterbury Marine farm site: Squally Bay, Banks Peninsula

Date: 2017

Compliance issues were noted by Environment Canterbury following a routine site inspection, relating to navigational lighting, and marking of the marine farm site and payment of a bond. Following constructive discussions with Council staff to ensure required compliance actions were understood issues were appropriately addressed

Marlborough District Council Marine farm site: Beatrix Bay, Marlborough Sounds

Date: 2020

Minor compliance issues were noted with the marking of the marine farm following a routine site inspection. All issues have been addressed

Environment Canterbury Marine farm site: Squally Bay, Banks Peninsula

Date: 2021

Notification to Ngai Tahu Seafood of sunken lines at the Squally Bay mussel farm site that needed to be removed. Marine Services NZ Ltd contracted to complete the work to rectify the issue, with work commencing on 4 May 2021 and completed in 2022.

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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:

Frances Lojkin

Important notes