Application for a project to be referred to an expert consenting panel

(Pursuant to Section 20 of the COVID-19 Recovery (Fast-track Consenting) Act 2020)

For office use only:

Project name: Hananui Aquaculture Project Application number: PJ-0000746 Date received: 12/05/2021

This form must be used by applicants making a request to the responsible Minister(s) for a project to be referred to an expert consenting panel under the COVID-19 Recovery (Fast-track Consenting) Act 2020.

All legislative references relate to the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the Act), unless stated otherwise.

The information requirements for making an application are described in Section 20(3) of the Act. Your application must be made in this approved form and contain all of the required information. If these requirements are not met, the Minister(s) may decline your application due to insufficient information.

Section 20(2)(b) of the Act specifies that the application needs only to provide a general level of detail, sufficient to inform the Minister's decision on the application, as opposed to the level of detail provided to an expert consenting panel deciding applications for resource consents or notices of requirement for designations.

We recommend you discuss your application and the information requirements with the Ministry for the Environment (the Ministry) before the request is lodged. Please contact the Ministry via email: fasttrackconsenting@mfe.govt.nz

The Ministry has also prepared Fast-track guidance to help applicants prepare applications for projects to be referred.

Part I: Applicant

Applicant details

Person or entity making the request: Ngāi Tahu Seafood Resources Limited

Contact person: Thomas Hildebrand	Job title: Marine Biologist
Phone: s 9(2)(a)	_{Email:} s 9(2)(a)
Postal address:	
P O Box 3787	
Christchurch 8140	
Address for service (if different from above)	
Organisation: Stantec New Zealand	
Contact person: Frances Lojkine	Job title: Principal Planner
Phone: s 9(2)(a)	Email: s 9(2)(a)
Email address for service: s 9(2)(a)	
Postal address:	
P O Box 13-052	
Christchurch 8141	

Part II: Project location

The application: relates wholly to the coastal marine area

If the application relates to the coastal marine area wholly or in part, references to the Minister in this form should be read as the Minister for the Environment and Minister of Conservation.

Site address / location:

A cadastral map and/or aerial imagery to clearly show the project location will help.

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

Legal description(s):

A current copy of the relevant Record(s) of Title will help.

Crown land - coastal marine area

Registered legal land owner(s):

Not applicable

Detail the nature of the applicant's legal interest (if any) in the land on which the project will occur, including a statement of how that affects the applicant's ability to undertake the work that is required for the project:

The applicant has no legal interest in the land on which the project will occur, however, as the land is Crown land, this has no effect on the applicant's ability to undertake the work.

Part III: Project details

Description

Project name: Hananui Aquaculture Project

Project summary:

Please provide a brief summary (no more than 2-3 lines) of the proposed project.

The proposed project is the development of an approximately 2,500 hectare site for finfish (salmon) farming. A total production level of 16,000 tonnes of fish per annum is proposed, to be achieved over four staged production increases. Within the application area four marine farms are proposed, each separated from the others to ensure potential biosecurity and other effects are appropriately managed.

Project details:

Please provide details of the proposed project, its purpose, objectives and the activities it involves, noting that Section 20(2)(b) of the Act specifies that the application needs only to provide a general level of detail.

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 Te Rūnanga o Awarua being the lead Papatipu Rūnanga with respect to 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 an upcoming 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.

At the proposed site, the project involves:

- The establishment of net pens, mooring lines and anchors in four locations within the proposed site;
- The mooring of feed barges (5 in total) to service each marine farm location;

A variety of ancillary activities will also be required to support the project, as discussed further on in this application.

The proposed farms will operate using a single-year class farming approach, which is best practice internationally to minimise disease risk and manage effects on the seabed. Single-year class farming involves the introduction of a single generation (year-class) of fish to a farm site and their growth from smolt to harvest weight, followed by a fallowing period before restocking of the site. 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).

The proposed size and shape of the site (see Figure 1, Attachment 1) have resulted from a number of factors:

• 2,500 hectares provides sufficient space to separate fish that are being farmed, which assists to manage health and biosecurity risks;

- 2,500 hectares allows for rearrangement of the proposed marine farms over time if required, while still enabling the appropriate spacing between fish to be maintained and for marine farms to be located only over the most suitable, sand habitat;
- 2,500 hectares provides sufficient space to allow adaptation of use of the site in response to advancements in aquaculture farming technology;
- By including local areas of biogenic habitat within the proposed site, in consultation with local fishers Ngāi Tahu Seafood aims to avoid disturbance of that habitat as far as possible (in contrast to its frequent disturbance by a wide variety of activities in the balance of Te Ara a Kiwa/Foveaux Strait).

Where applicable, describe the staging of the project, including the nature and timing of the staging:

The project consists of four marine farms, each arranged in two blocks of net pens (termed A and B, see Figure 3). Each 'block' would consist of ten circular pens, each pen having a circumference of 168 metres. The project is proposed to be developed in four stages: Stage 1 – one of the two blocks of 10 pens at each farm site would be developed, with a feed discharge of 75% of the proposed overall feed discharge for the block; Stage 2 – production in each of the blocks that has been developed would increase to 100% of the total feed discharge; Stage 3 – the second block at each farm is developed, with a feed discharge of 50% of the proposed overall feed discharge of 50% of the proposed overall feed discharge for the block; and Stage 4 – both blocks at each farm will operate at 100% of the proposed feed discharge. See Attachment 2 for further detail.

Consents / approvals required

Relevant local authorities: Environment Southland

Resource consent(s) / designation required:

Coastal permit

Relevant zoning, overlays and other features:

Please provide details of the zoning, overlays and other features identified in the relevant plan(s) that relate to the project location.

Legal description(s)	Relevant plan	Zone	Overlays	Other features
Crown land	Regional Coastal Plan for Southland	N/A	Area Containing Significant Values (coastal area of Rakiura/Stewart Island)	Natural State water (Figure 7.2.2.1 and associated policies and rules)

Rule(s) consent is required under and activity status:

Please provide details of all rules consent is required under. Please note that Section 18(3)(a) of the Act details that the project **must not include** an activity that is described as a prohibited activity in the Resource Management Act 1991, regulations made under that Act (including a national environmental standard), or a plan or proposed plan.

Relevant plan / standard	Relevant rule / regulation	Reason for consent	Activity status	Location of proposed activity
Regional Coastal Plan for Southland	Rule 15.1.7	All marine farming activities in Southland require resource consent.	Discretionary	Coastal marine area off the northern coast of Rakiura/Stewart Island
Regional Coastal Plan for Southland	Rule 5.4.3.2	The introduction of exotic fauna to the coastal waters of Stewart Island (defined	Non-complying	Coastal marine area off the northern coast of Rakiura/Stewart Island

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			for this rule in Figure 5.4.3.1) requires consent.		
-	Regional Coastal Plan for Southland	Rule7.3.8.1.1	The feeding of nutrients (in this case, feed) to fauna in the Southland coastal marine area requires consent.	Discretionary	Coastal marine area off the northern coast of Rakiura/Stewart Island
	Regional Coastal Plan for Southland	Rule 7.3.8.2.2	Regular cleaning of the sea pen structures, moorings, anchor blocks and feed barges is proposed as part of the marine farm development. The relevant permitted activity rule has a condition that no viable unwanted or pest organisms are to be released. The high current speeds in the area of the proposed site mean that it is not practical to capture all waste material from cleaning, and it is not possible to guarantee that all organisms will be killed through the cleaning process.	Controlled	Coastal marine area off the northern coast of Rakiura/Stewart Island
	Regional Coastal Plan for Southland	Rule 9.1.1	No other rules provide for the type of occupation of the coastal marine are required for marine farming.	Discretionary	Coastal marine area off the northern coast of Rakiura/Stewart Island
	Regional Coastal Plan for Southland	Rule 9.2.1	Each of the marine farms proposed has an associated feed barge, which will provide a 'base' for the operation of each farm. There are no permitted rules that provide for this use.	Discretionary	Coastal marine area off the northern coast of Rakiura/Stewart Island
-	Regional Coastal Plan for Southland	Rule 10.2.4	Deposition of material covered by this chapter of the RCP includes residual material (such as uneaten feed) from fin-fish marine farming. Deposition is not covered by any of the rules identified as	Discretionary	Coastal marine area off the northern coast of Rakiura/Stewart Island

		exceptions to Rule 10.2.4.		
Regional Coastal Plan for Southland	Rule 11.2.6	No permitted activity rules provide for marine farm structures in the Southland coastal marine area. Rule 11.2.6 refers to 'the internal waters and open coast of Stewart Island' but does not map this area or refer to it clearly in policies. If the term 'open coast' refers to the coastline, then the proposed site is sufficiently offshore that it would be classified as a discretionary activity. If 'open coast' encompasses an area further offshore, then the erection of structure would be a non-complying activity	Discretionary or Non- Complying	Coastal marine area off the northern coast of Rakiura/Stewart Island
Regional Coastal Plan for Southland	Rule 11.7.6.2	Four navigation aids have been recommended for the perimeter of the site that due to the distance from which light needs to be seen, and the typical wave conditions at the site, will need to be more than 2m above the water level.	Discretionary	Coastal marine area off the northern coast of Rakiura/Stewart Island

Resource consent applications already made, or notices of requirement already lodged, on the same or a similar project:

Please provide details of the applications and notices, and any decisions made on them. Schedule 6 clause 28(3) of the COVID-19 Recovery (Fast-track Consenting) Act 2020 details that a person who has lodged an application for a resource consent or a notice of requirement under the Resource Management Act 1991, in relation to a listed project or a referred project, must withdraw that application or notice of requirement before lodging a consent application or notice of requirement with an expert consenting panel under this Act for the same, or substantially the same, activity.

An application for the necessary resource consents for the Hananui Aquaculture Project was lodged with Environment Southland in December 2019 and was accepted by the Council on 16 January 2020. The application is currently subject to a section 92 request for further information and has not been publicly notified.

Resource consent(s) / Designation required for the project by someone other than the applicant, including details on whether these have been obtained:

No other person or organisation requires resource consents for the Hananui Aquaculture Project.

Other legal authorisations (other than contractual) required to begin the project (eg, authorities under the Heritage New Zealand Pouhere Taonga Act 2014 or concessions under the Conservation Act 1987), including details on whether these have been obtained:

If consent is granted under the Resource Management Act 1991 for the Hananui Aquaculture Project an 'aquaculture decision' may be required from the Chief Executive of the Ministry of Fisheries before the project can commence. Aquaculture decisions assess the effects of a proposed activity on commercial, recreational and customary fishing. Ngāi Tahu Seafood understands that Fisheries New Zealand has previously applied a non-statutory 'rule of thumb' threshold of 5% displacement when assessing whether the catch displaced by a new aquaculture application may have an 'undue adverse effect' on commercial fishing. Ngāi Tahu Seafood an assessment of potential impacts on commercial fishing. Using fisheries data obtained from the Ministry for Primary Industries (MPI), that assessment estimates that the displacement effects of the Hananui proposal are anticipated to be less than 1%, well below the assessment threshold of 5%.

Ngāi Tahu Seafood has already commenced discussions in relation to the project with potentially affected commercial fishing organisations, and with Murihiku Papatipu Rūnanga. Potential effects on fish species and fishing are addressed by existing technical assessments and are able to be managed through appropriate consent conditions.

Construction readiness

If the resource consent(s) are granted, and/or notice of requirement is confirmed, detail when you anticipate construction activities will begin, and be completed:

Please provide a high-level timeline outlining key milestones, e.g. detailed design, procurement, funding, site works commencement and completion.

Ngāi Tahu Seafood anticipates that a period of 12 months of baseline monitoring will be required before any structures are installed on site. Baseline monitoring will employ and create new employment for a variety of specialised roles, including scientists and technicians. Construction of the infrastructure for the project would also commence once consent has been granted and would include:

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

Ngāi Tahu Seafood forecasts that it will take 3 years to complete the construction phase of the project. In addition to the activities noted above that will be carried out by Ngāi Tahu Seafood, a variety of ancillary activities will be required to support the Hananui Aquaculture project, including supply of smolt, upgrade of facilities for landing harvested fish, and processing and storage facilities. Ngāi Tahu Seafood has investigated and can put in place commercial arrangements for the provision of smolt for the commencement of the project. The Southland Aquaculture Working Group, the Southland Mayoral Forum and Environment Southland recently obtained Provincial Growth Fund funding for investigating the development of a land based salmon hatchery in Murihiku, which offers a second alternative for sourcing smolt. SouthPort has confirmed that berthage is available for vessels servicing the proposed farms and for the unloading of fish and that storage facilities are available at the port. Ngāi Tahu Seafood has an existing processing plant in Bluff that could provide for Stage 1 of the project and be gradually expanded over time to match the staging of the balance of the project.

At the end of the construction phase salmon farming would gradually 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 10 years.

Part IV: Consultation

Government ministries and departments

Detail all consultation undertaken with relevant government ministries and departments:

Ngāi Tahu Seafood has been working with the Ministry for Primary Industries and the Department of Conservation to identify space for aquaculture in Murihiku since 2017. A copy of the resource consent application to Environment Southland was also provided to Ministry of Primary Industries officials when the application was lodged.

Initial discussions were held with the Department of Conservation when the resource consent application was accepted by Environment Southland in 2020. Department of Conservation staff have undertaken a technical review of the original application documentation and provided comment on some aspects relevant to the Department of Conservation's areas of responsibility.

Representatives of the applicant have held preliminary discussions with officials within the Ministry for the Environment and the Department of Conservation to better understand the procedural requirements and processes for making this application.

Local authorities

Detail all consultation undertaken with relevant local authorities:

Ngāi Tahu Seafood has worked closely with Environment Southland both prior to and following lodgement and acceptance of the application. Environment Southland staff and consultants have reviewed the application and generated a section 92 request for further information, and consultants are reviewing each technical report that is provided in response to the section 92 request. Ngāi Tahu Seafood (and its planning consultant, Stantec New Zealand) has met regularly with Environment Southland staff to discuss the application and progress and approaches to its processing. Environment Southland staff are aware that Ngāi Tahu Seafood is making this application for referral of the Hananui Aquaculture project under the COVID-19 Recovery (Fast-track Consenting) Act 2020.

Other persons/parties

Detail all other persons or parties you consider are likely to be affected by the project:

The following persons or parties are likely to be affected by the project:

- Murihiku papatipu rūnanga Te Rūnanga o Awarua, Te Rūnanga o Ōraka-Aparima, Te Rūnanga o Waihōpai and Te Rūnanga o Hokonui
- 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 above persons or parties:

Consultation has been undertaken as follows:

- February 2019 hui with chairs of papatipu rūnanga
- September/October 2019 meetings with chairs of papatipu rūnanga, 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 to the project team
- February 2020 notification to parties (see Attachment 3) of application to Environment Southland.
 Meetings with papatipu rūnanga to inform cultural impact assessment, presentation to Te Rūnanga o
 Ngāi Tahu (Te Aparangi)
- June 2020 initial meeting with Department of Conservation staff

- August 2020 discussion with Maritime New Zealand re potential navigational concerns
- August 2020 hui with chairs of papatipu rūnanga, informal meetings with Bluff Oyster Management Company (BOMC) members, meeting with BMOC Manager, CRA8 chairman and Paua Management Action Committee chairman (the latter by phone)
- September 2020 discussion with Harbour Master re any potential navigational concerns
- November 2020 discussion with South Port Ltd
- March 2021 hui with chairs of papatipu rūnanga to discuss COVID fast-track process resulting in endorsement of this application

Ongoing meetings have also been occurring with Environment Southland. Ngāi Tahu Seafood intends to continue consultation with interested parties throughout the process, irrespective of the consent processing pathway that is used. For example, through discussion with papatipu rūnanga and other local manawhenua groups Ngāi Tahu Seafood has committed to the development of a Manawhenua Working Group to serve as regular liaison between the project and manawhenua in Murihiku, both during any consent process and in relation to ongoing monitoring and implementation of the project. Ngāi Tahu Seafood is also a member of a number of the commercial fishing groups in Murihiku, which will provide an ongoing forum for discussion of the project.

Part V: Iwi authorities and Treaty settlements

For help with identifying relevant iwi authorities, you may wish to refer to Te Kāhui Māngai – Directory of Iwi and Māori Organisations.

Iwi authorities and Treaty settlement entities

Detail all consultation undertaken with Iwi authorities whose area of interest includes the area in which the project will occur:

lwi authority	Consultation undertaken
Te Rūnanga o Ngāi Tahu	The only iwi authority whose area of interest includes the project area is Te Rūnanga o Ngãi Tahu. Ngãi Tahu Seafood engaged with Te Rūnanga o Ngãi Tahu before starting the technical assessments to develop the Hananui Aquaculture project and approval for the project was given from both Te Rūnanga o Ngãi Tahu and Murihiku papatipu rūnanga. In Murihiku there is a charter of understanding between local government (Environment Southland and all territorial local authorities) and Te Ao Marama Inc (authorised to represent Te Rūnanga o Awarua, Te Rūnanga o Ōraka-Aparima, Te Rūnanga o Waihōpai and Te Rūnanga o Hokonui, the papatipu rūnanga who hold mana whenua over all ancestral lands in Murihiku), with the charter being endorsed by Te Rūnanga o Ngãi Tahu. The charter notes that 'It is the practice of Te Rūnanga o Ngãi Tahu that consultation in the first instance is via papatipu to consider resource management issues relevant to local iwi, Ngãi Tahu may from time to time be consulted where it is appropriate to do so (for example, on matters relevant to the Ngãi Tahu Claims Settlement Act 1998). Consistent with this approach Ngãi Tahu Seafood has consulted extensively with the Murihiku papatipu rūnanga and has taken guidance from them on wider consultation with mana whenua groups potentially affected by the proposal. A cultural impact assessment on behalf of the four papatipu rūnanga has been commissioned and prepared, which identified a series of questions and mitigation measures for further discussion with Ngā Rūnanga. Ngãi Tahu Seafood has formally responded and met with Murihiku papatipu rūnanga and answered and addressed questions and mitigation measures to the satisfaction of the Murihiku papatipu. Te Rūnanga o Ngãi Tahu and Murihiku papatipu rūnanga are both supportive of the Hananui Aquaculture project and this application for the project to be referred under the COVID 19 Recover (Fast-track Consenting) Act 2020.

Detail all consultation undertaken with Treaty settlement entities whose area of interest includes the area in which the project will occur:

Consultation undertaken
See description above

Treaty settlements

Treaty settlements that apply to the geographical location of the project, and a summary of the relevant principles and provisions in those settlements, including any statutory acknowledgement areas:

Section 18(3)(b) of the Act details that the project **must not include** an activity that will occur on land returned under a Treaty settlement where that activity has not been agreed to in writing by the relevant land owner.

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). 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 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 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.

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 lwi 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 August 2020, an area of 16.6ha in Murihiku was 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.

Part VI: Marine and Coastal Area (Takutai Moana) Act 2011

Customary marine title areas

Customary marine title areas under the Marine and Coastal Area (Takutai Moana) Act 2011 that apply to the location of the project:

Section 18(3)(c) of the Act details that the project **must not include** an activity that will occur in a customary marine title area where that activity has not been agreed to in writing by the holder of the relevant customary marine title order.

While applications have been made under the Marine and Coastal Area (Takutai Moana) Act 2001 for customary marine title in Te Ara a Kiwa (Foveaux Strait) no decisions have been made to date, so there are no customary marine title areas that apply to the location of the project. Te Rūnanga o Ngāi Tahu has applied for customary marine title in Te Ara a Kiwa, and while no decision has been made to date the proposed site for the Hananui Aquaculture project is located within the customary marine title area (see earlier discussion concerning Te Rūnanga o Ngāi Tahu support for the project).

Protected customary rights areas

Protected customary rights areas under the Marine and Coastal Area (Takutai Moana) Act 2011 that apply to the location of the project:

Section 18(3)(d) of the Act details that the project **must not include** an activity that will occur in a protected customary rights area and have a more than minor adverse effect on the exercise of the protected customary right, where that activity has not been agreed to in writing by the holder of the relevant protected customary rights recognition order.

It is not clear from a search of the Ministry of Justice website relating to Marine and Coastal Area (Takutai Moana) Act 2011 applications for recognition orders whether any applications for protected customary rights have been made within the Ngāi Tahu takiwā. Ngāi Tahu Seafood is not aware of any applications, nor of the existence of any protected customary rights areas that apply to the location of the project.

Part VII: Adverse effects

Description of the anticipated and known adverse effects of the project on the environment, including greenhouse gas emissions:

In considering whether a project will help to achieve the purpose of the Act, the Minister may have regard to, under Section 19(e) of the Act, whether there is potential for the project to have significant adverse environmental effects. Please provide details on both the nature and scale of the anticipated and known adverse effects, noting that Section 20(2)(b) of the Act specifies that the application need only provide a general level of detail.

Through the development of the current consent application under the Resource Management Act 1991, Ngāi Tahu Seafood commissioned 11 technical reports on potential environmental effects, a cultural values report and a cultural impact assessment (see Attachment 4 for a complete list of assessments the technical assessments can be found at www.hananuiaquaculture.co.nz/application). Subsequent to lodging the application with Environment Southland a further two technical reports have been commissioned. In summary, these reports outline that the anticipated adverse effects of the project on the environment will 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);
- 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. Internationally aquaculture is moving away from sheltered embayments to more exposed/offshore locations where seabed effects have been shown to be less intense and severe than in more sheltered locations. The same effect is predicted by modelling for the Hananui Aquaculture project. In offshore locations, the dispersion of waste products from the farmed fish is significantly greater due to strong oceanic currents, winds, and large, long-period waves. Two types of models have been used to simulate deposition processes to infer potential benthic effects (a standard depositional model and a resuspension model), with results to be interpreted together. The standard depositional model suggests that very high enrichment of the seabed (but not to levels that exceed acceptable levels for salmon farming elsewhere in New Zealand) may occur over approximately 5 ha of seabed at Stage 4 (full production), or approximately 0.2% of the proposed site. However with resuspension considered the level of enrichment under the net pens is likely to be significantly less, although likely to occur over a wider area of the seabed. Some specific areas where accumulation of material may occur have been identified, predicted for

areas dominated by sand and shell debris and not in areas where more ecologically significant habitat occurs. Even in these accumulation areas, deposition of material is predicted to only be within the range of 0.035 mm to 0.35 mm thick on the seabed. In other areas of the resuspension footprint deposition and accumulation of material is expected to occur only at low levels that may not be easily discernible;

- 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 floods and 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), but the magnitude of the change that has been modelled means that it would be difficult to detect changes that were attributable to the proposed marine farms, in the context of the existing natural variation in chlorophyll-*a* levels in Te Ara a Kiwa/Foveaux Strait. 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;
- 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 pose some risk to marine mammals, sharks, and seabirds (in terms of entanglement and habitat displacement) and may attract sharks, although in all cases the risks have been assessed as low;
- 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);
- A lighting and navigational marking scheme has been developed for the proposed site, and adoption of this scheme would keep risks to navigational safety at a level that is as low as reasonably practicable and 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.

In addition, using the technical assessments and a cultural values report as source information, a cultural impact assessment has been completed by and for the four papatipu rūnanga. From the technical reports this assessment identified a number of potential adverse effects on manawhenua/manamoana. Mitigation measures suggested in the technical assessments were discussed and agreed with papatipu rūnanga to resolve the identified adverse effects. Ngāi Tahu Seafood has committed to continuing engagement with Murihiku papatipu rūnanga beyond the application process, through ongoing discussions 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. To manage the potential adverse effects of the project, Ngāi Tahu Seafood has adopted a precautionary, staged and adaptive approach to the project. As noted earlier in this application the development of the proposed site would be undertaken over four stages, with a feed discharge level at full production that is not anticipated to have significant adverse effects on the environment. Key to the management of effects is the proposed adaptive management approach, whereby monitoring of environmental effects for 2-3 years at each stage is used to ensure that environmental effects are not significant before production levels at the site are increased each time. Adaptive management has become a key tool for managing aquaculture development in New Zealand, and has been applied to consents for salmon farming at new salmon farming sites in Marlborough since 2011. Monitoring and adjustment of feed levels or farming practices at salmon farm sites is also common practice through consent conditions at salmon farms in Marlborough, Akaroa (Canterbury) and Big Glory Bay (Southland). Adaptive management has also been applied to mussel farming in the Wilson's Bay Marine Farming Zone (Waikato) and the Tasman Aquaculture Management Areas, and to the mussel farming consents at Clifford Bay (an offshore site in Marlborough).

If the Hananui Aquaculture project is approved for referral under the COVID-19 Recovery (Fast-track consenting) Act 2020, Ngāi Tahu Seafood will propose a set of consent conditions encompassing the adaptive management approach for the project as part of the subsequent consent application for the Consenting Panel to consider.

As noted in Part III of this application, the introduction of exotic fauna to the coastal waters of Rakiura/Stewart Island is a non-complying activity. The objective of the relevant section of the Regional Coastal Plan for Southland is to avoid the introduction of fauna into the coastal marine area in circumstances that could result in adverse environmental effects. The relevant policy aims to prevent the introduction of exotic species of fauna where information indicates that it is likely to adversely affect indigenous vegetation, indigenous fauna, coastal processes, natural character or life-supporting capacity of ecosystems. The policy is however now well outdated (the Regional Coastal Plan for Southland was first notified in the mid-1990s) and does not recognise initiatives by Environment Southland, the Southland Regional Development Strategy and the Southland Mayoral Forum to encourage aquaculture in the region. In relation to the Hananui Aquaculture project, salmon are already farmed at Big Glory Bay at Rakiura without any of the listed effects of concern and Environment Southland has recently approved a variation to the consent for that site to increase production, which will result in the addition of further fish to the site. None of the matters listed in the relevant policy are anticipated to be affected by the penned farming of fish at the proposed Hananui site. As described elsewhere in this application the development of aquaculture is being encouraged as part of Southland's future regional development strategy, and open ocean aquaculture is being encouraged nationally through the Government's Aquaculture Strategy 2019.

Part VIII: National policy statements and national environmental standards

General assessment of the project in relation to any relevant national policy statement (including the New Zealand Coastal Policy Statement) and national environmental standard:

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: Marine Aquaculture relates only to replacement of consents for existing marine farms, so will not be relevant to the proposed Hananui Aquaculture project until it has got consent and those consents are reaching expiry).

Policies in the NZCPS address use of the coastal marine area and the management of adverse effects on ecological values, natural character and landscape, biosecurity, and public access. In summary:

- 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 Southland. As the Regional Coastal Plan for Southland has not yet been reviewed,
 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;
- 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. Recognising the requirements of a precautionary approach to the project, Ngāi Tahu Seafood is proposing to stage the development, with monitoring of effects and increases in production levels only if effects are determined to be acceptable;
- 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. Acknowledging that Ngāi Tahu Seafood is a tangata whenua company, 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;
- 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 the habitat in the area of the proposed site is not significant and that the greatest risk arises from entanglement. For all species risks of entanglement can be reduced by utilising a net design that minimises the chances of interactions between species and the penned fish, generally either a double-net system comprising a grower net and a surrounding predator exclusion net, or by use of a rigid single net system with an appropriately small mesh size (such as KikkoNet). For seabirds, attraction to lighting and disturbance of nesting birds by boat traffic may also be issues, but conditions can be imposed to manage these effects to a level where adverse effects do not occur;
 - 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;

- 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 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.

Part IX: Purpose of the Act

Your application must be supported by an explanation how the project will help achieve the purpose of the Act, that is to "urgently promote employment to support New Zealand's recovery from the economic and social impacts of COVID-19 and to support the certainty of ongoing investment across New Zealand, while continuing to promote the sustainable management of natural and physical resources".

In considering whether the project will help to achieve the purpose of the Act, the Minister may have regard to the specific matters referred to below, and any other matter that the Minister considers relevant.

Project's economic benefits and costs for people or industries affected by COVID-19:

With its economic base of primary industry the Southland economy, the Southland community came through the COVID lockdown of 2020 reasonably strongly, although it has been estimated that only 59% of the economy was able to operate under Alert Level 4 and 80% during Alert Level 3, and effects have varied across the community and the economy. A generally weaker economic recovery is predicted for Southland than for the rest of New Zealand. In the medium-term employment is forecasted to decline by 0.3% in 2021 and 0.4% in 2022. While it will then slowly recover, in 2025 the anticipated closure of the Tiwai Point Aluminium Smelter will further impact Southland, and declines in employment are very likely in the short and medium term. The tourist economy, which provides approximately 9.6% of employment in Southland has been and will continue to be very significantly affected. Ngāi Tahu is heavily involved in the tourism sector in Murihiku and throughout the South Island through Ngāi Tahu Tourism, a sister company to Ngāi Tahu Seafood. The impact on Ngāi Tahu specifically as a result of COVID's impact on the tourism sector is discussed below.

Employment losses will occur in occupations and industries in the region in which Māori are overrepresented in terms of employment, and these sectors may be slower to recover. In addition, Māori have an existing unemployment rate significantly higher than non-Māori in the region. The competitiveness of the job market due to the decline in employment in response to COVID is also likely to disproportionately affect Māori, with approximately 25% of the Māori population in Southland being rangatahi (those likely to be trying to enter the workforce in the region for the first time in the short to medium term).

In the broader Ngāi Tahu sense, Ngāi Tahu Holdings (the commercial arm of the tribe) posted a loss of s 9(2)(b)(ii) for the 2019-2020 financial year, with particular effects on Ngāi Tahu Tourism and reductions in tourism assets held by the company. This can be contrasted with a 2018-2019 financial result of a s 9(2)(b)(ii), and demonstrates the effects of the COVID pandemic. Decreasing returns from Ngāi

Tahu assets decrease Ngāi Tahu's ability to provide for hapū and whānau, and potentially decrease opportunities for manawhenua development.

The Hananui Aquaculture Project has the potential to offer some cushion against these effects. To put the scale of the Hananui Aquaculture project in context it is useful to consider the contribution that is made by the current salmon farming in Murihiku. Salmon farming operations in Southland (marine farming and processing), of about 3500 tonnes of fish per annum as at 2018, generated around \$31million of export

revenue, employed approximately 128 people and contributed \$23million to Southland's GDP. Stage 1 of the Hananui Aquaculture project would add approximately 5000 tonnes of fish per annum to Southland salmon production (on its own more than the 2018 level of salmon production in the region) and could create between 175 and 200 new jobs in the region. These jobs are likely to be realised approximately 18 months from the project being granted consent. In the interim a construction and monitoring workforce will be required to assist with comprehensive baseline monitoring of the site and construction and installation of structures on site for marine farming activities. The staggered development of Stage 1 would provide a consistent employment base in this work for the first 3 – 4 years of the project, with potentially up to 360 jobs at the height of construction work (see Figure 4, Attachment 1). As a Ngāi Tahu Seafood project, the Hananui Aquaculture project also offers opportunities to focus employment development on more vulnerable segments of the population, including rangatahi.

Project's effects on the social and cultural wellbeing of current and future generations:

Aquaculture is a primary focus for the Southland Regional Development Strategy (SoRDS) Action Plan (https://www.sords.co.nz/site/assets/files/1/sords_action_plan.pdf), which identifies it as 'the single greatest opportunity to create a new comparative advantage for Southland on an international scale' and to support the overall aim of the Strategy which is to increase population and consequently resilience in Southland. It will serve to further diversify the Southland economy.

While Southland is predicted to recover from the economic and employment effects of the COVID-19 pandemic over the next couple of years, the closure of the Tiwai Point aluminium smelter in 2025 could lead to a significant regional downturn unless projects that can offset the job and economic losses are developed in the interim. The smelter currently employs 800 workers directly and supports a further 1,500 workers across the region in associated suppliers.

In addition, the Southland economy has traditionally been heavily dependent on the farming sector, and on dairying in particular in recent decades. While the farming sector will continue to be vital to Southland's future, an increasing focus on the management of freshwater quality is likely to lead to a need for changing practices and other types of primary production, such as open water aquaculture, to ensure that freshwater quality limits can be met, and that the social and cultural wellbeing of current and future generations can continue to be provided for.

A 2015 MPI case study of the social and community effects of aquaculture in Southland showed a 'highly positive and significant social picture' of the effects of aquaculture on the communities of both Rakiura/Stewart Island and Bluff. Marine farming provides some direct employment on Rakiura/Stewart Island, at an annual income that is above the median income for Rakiura residents. Employment in aquaculture appears to have led to enhanced social engagement for Rakiura residents as well. As a yearround activity aquaculture provides more consistent employment than more seasonally based work and provides an ongoing presence of people in the community. Further employment in associated processing activities occurs in Bluff, where employment in aquaculture is highly valued following employment downturns in the town in the past. To date there has been a focus on local businesses hiring local staff, which has supported the local economy. The 2015 MPI case study noted that 'Aquaculture also supports supplied businesses to diversify their skills and contributes to staff enjoying their work, adding diversity to Southland's primary industries and adding scale to the fishing industry as a whole'. Ngāi Tahu Seafood has been operating in Murihiku for over 20 years. The operation focuses on koura (crayfish), paua (abalone), rawaru (blue cod) and tio (Bluff oysters). In 2016 Ngāi Tahu Seafood opened a new \$7million processing plant in Bluff. Ngāi Tahu Seafood employs up to 30 people in Murihiku and supports approximately 30 fishing businesses, the majority of which are Ngāi Tahu owned and operated. The company contributes over \$20million annually to the Southland economy.

The Hananui Aquaculture project offers an opportunity to enhance the existing contribution of aquaculture to the social and cultural wellbeing of current and future generations, particularly those on Rakiura and in Bluff, but also in a wider Southland context.

Whether the project would be likely to progress faster by using the processes provided by the Act than would otherwise be the case:

The current consent application with Environment Southland took 18 months to develop and was lodged with the Council more than 12 months ago. Ngāi Tahu Seafood has been working steadily on responding to a s92 request for further information and is now reaching the end of that process. This process will be a significant advantage for the COVID fast-track process as it has resulted in a number of potential issues being addressed and the overall potential effects of the application reducing. The processes under the COVID Recovery (Fast-track Consenting) Act 2020 are however still likely to be faster than would otherwise be the case. Under the Resource Management Act 1991 the application would be publicly notified, and it is anticipated that up to 12 further months would be likely before a Council decision was released. Following that, much greater appeal rights exist in relation to decisions, that could potentially add several more years to the consenting process.

Whether the project may result in a 'public benefit':

Examples of a public benefit as included in Section 19(d) of the Act are included below as prompts only.

Employment/job creation:

In the early stages (Years 1 – 5) of the Hananui Aquaculture project, it is anticipated that it would create up to 360 FTEs, driven by the construction and development requirements of the proposed site, particularly the construction of modern feed barges and associated farm assets. As construction job numbers decrease over time, salmon production-based jobs will continue to increase, maintaining a level of FTEs of 240 or above over the first 5 years of the project. If the project reaches its full development potential, based on analysis undertaken of a scenario of a proposed 25,000 tonnes of salmon production in the region (reported in *Potential for aquaculture expansion in Southland: a computable general equilibrium (CGE) analysis*, NZIER 2019), it could result in up to 500 jobs in Southland.

Potential FTEs associated with the Hananui Aquaculture project for Years 1 – 5 are demonstrated in Figure 3 (see Attachment 1).

Housing supply:

The project will not contribute directly to housing supply. Indirectly it may lead to an increase in housing supply through the need to satisfy demand for a stable or increasing population, with Invercargill housing supply currently under pressure to meet demand.

Contributing to well-functioning urban environments:

The project will not contribute directly to a well-functioning urban environment, but its effect on the Southland economy may result in more funding being able for improving the functioning of existing urban environments.

Providing infrastructure to improve economic, employment, and environmental outcomes, and increase productivity:

The proposed marine farms in the Hananui Aquaculture project are an infrastructure project that will provide economic and employment outcomes and increase aquaculture productivity in the region.

Improving environmental outcomes for coastal or freshwater quality, air quality, or indigenous biodiversity:

As an iwi owned and operated business, Te Rūnanga o Ngāi Tahu, Murihiku papatipu rūnanga and whānui have all emphasised to Ngāi Tahu Seafood that the Hananui Aquaculture project must have minimal adverse effects and uphold Ngāi Tahu values, including Kaitiakitanga, Rangatiratanga and Tikanga. Exposed or open ocean aquaculture is a new concept to New Zealand, and in its infancy internationally. As with all new industries there are some uncertainties and Ngāi Tahu Seafood has committed to working with iwi, community, regional and national regulators, and research providers to build a better understanding of the surrounding environment, to address these uncertainties through meaningful research. Monitoring and targeted research will help develop new knowledge and enhance the existing knowledge of the nearby coastal environments and indigenous biodiversity that otherwise might have received no or limited attention, research priority or funding. Proposed monitoring of the Hananui site will allow both monitoring of the effects of activities at the site and a new continuous source of environmental data (currents, water quality, temperature) and observational, movement and migration data for a variety of seabird, marine mammal, fish, and shark species. Although the Hananui Aquaculture project is primarily a marine based organisation, 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 environments. Ngāi Tahu Seafood proposes working with various organisations, including Murihiku papatipu rūnanga and the Department of Conservation, to further determine how the Hananui Aquaculture project can help protect some of our most vulnerable taonga species. Examples of initiatives could include supporting coastal clean ups, research, habitat restoration and pest and predator eradication on Rakiura and surrounding islands, including the Tītī Islands and Murihiku coastal environments.

Minimising waste:

Ngāi Tahu Seafood will implement a waste management plan for the Hananui site to minimise and manage waste generated at the proposed marine farms. Feed control systems are also likely to be installed the ensure that feeding is targeted to fish appetite and as little waste feed is discharged as possible.

Contributing to New Zealand's efforts to mitigate climate change and transition more quickly to a low-emissions economy (in terms of reducing New Zealand's net emissions of greenhouse gases):

New Zealand has a goal to become a zero-carbon society, and to reduce biogenic methane by 24 – 47% below 2017 levels by 2050, while also adding \$44billion in export earnings from the primary sector over the next decade (MPI Fit for a Better World, 2020). Achieving these goals is likely to lead to a re-focusing within the primary sector, and as a low emission activity aquaculture will play a key role in this.

Promoting the protection of historic heritage:

No historic heritage will be affected by the Hananui Aquaculture project.

Strengthening environmental, economic, and social resilience, in terms of managing the risks from natural hazards and the effects of climate change:

The Hananui Aquaculture project does not specifically relate to management of the risks from natural hazards. However, it does respond to the potential effects of climate change on finfish aquaculture by providing a farming site in cooler and more exposed waters. These types of locations have advantages over the location of much of the current industry in enclosed waters such as harbours and bays, where temperature stress can have a significant effect on the farmed fish.

Other public benefit:

The Hananui Aquaculture project is also strongly aligned with the Government's Aquaculture Strategy released in 2020. That Strategy has a vision to see New Zealand recognised globally as a world-leader in sustainable and innovative aquaculture management across the value chain, with a goal of \$3billion in annual sales by 2035.

The Strategy identifies that one of the three key drivers that make the \$3billion per annum sales goal achievable is extending aquaculture into the open ocean where increased levels of farming can take place away from many competing uses and values. The Strategy also notes that it is inclusive – partnering with Māori and communities on opportunities to realise meaningful jobs, wellbeing, and prosperity. One aspect of this is to recognise Māori values and aspirations across

the work programme, and also to ensure that open ocean farming enables investment opportunities for Māori business growth.

The Strategy is designed to support regional prosperity, and the Strategy indicates that the Government will be agile, and as new opportunities arise will mobilise quickly to play its part.

The Hananui Aquaculture project aligns strongly with the direction signed in the Aquaculture Strategy, and the Government's stated intention to be agile in this space would be met by utilising the unique opportunity to accelerate important and sustainable projects that promote investment certainty and employment via the COVID-19 Recovery (Fast-track Consenting) Act 2020.

Whether there is potential for the project to have significant adverse environmental effects:

As discussed in Part VII of this application, through comprehensive technical reports prepared to date, no significant adverse environmental effects are anticipated from the project.

Part X: Climate change and natural hazards

Description of whether and how the project would be affected by climate change and natural hazards:

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 also moving in the direction of production of smolt that can better withstand the effects of climate change.

Climate projections suggest that water temperatures at the sea-surface will increase by 0.8 – 2.5oC by 2100 (*Our Marine Environment*, 2019). Water temperature sampling in Te Ara a Kiwa/Foveaux Strait has shown average temperature (across all depths surveyed) around 12 oC in October, 13.5 oC in December and 15 oC in January. Salmon have a preferred temperature range of 12 – 15 oC. 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 (*Our Marine Environment*, 2019). Engineering design for the proposed marine farms has been based on a more detailed local hindcast 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.

Part XI: Track record

A summary of all compliance and/or enforcement actions taken against the applicant by a local authority under the Resource Management Act 1991, and the outcome of those actions:

Local authority	Compliance/Enforcement Action and Outcome
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. Ngai Tahu Seafood was aware of this issue and had Marine Services

 NZ Ltd contracted to attend to the issue prior to the inspection and notice from
 Environment Canterbury. Work to remove the lines has been completed.

Part XII: Declaration

I acknowledge that a summary of this application will be made publicly available on the Ministry for the Environment website and that the full application will be released if requested.

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.

	-
Signature of person or entity making the request	Date

Important notes:

- Please note that this application form, including your name and contact details and all supporting documents, submitted to the Minister for the Environment and/or Minister of Conservation and the Ministry for the Environment, will be publicly released. Please clearly highlight any content on this application form and in supporting documents that is commercially or otherwise sensitive in nature, and to which you specifically object to the release.
- Please ensure all sections, where relevant, of the application form are completed as failure to provide the required details may result in your application being declined.
- Further information may be requested at any time before a decision is made on the application.
- Please note that if the Minister for the Environment and/or Minister of Conservation accepts your
 application for referral to an expert consenting panel, you will then need to lodge a consent application
 and/or notice of requirement for a designation (or to alter a designation) in the approved form with
 the Environmental Protection Authority. The application will need to contain the information set out
 in Schedule 6, clauses 9-13 of the Act.
- Information presented to the Minister for the Environment and/or Minister of Conservation and shared with other Ministers, local authorities and the Environmental Protection Authority under the Act (including officials at government departments and agencies) is subject to disclosure under the Official Information Act 1982 (OIA) or the Local Government Official Information and Meetings Act 1987 (LGOIMA). Certain information may be withheld in accordance with the grounds for withholding information under the OIA and LGOIMA although the grounds for withholding must always be balanced against considerations of public interest that may justify release. Although the Ministry for the Environment does not give any guarantees as to whether information can be withheld under the OIA, it may be helpful to discuss OIA issues with the Ministry for the Environment in advance if information provided with an application is commercially sensitive or release would, for instance, disclose a trade secret or other confidential information. Further information on the OIA and LGOIMA is available at www.ombudsman.parliament.nz.

Checklist

Where relevant to your application, please provide a copy of the following information.

No	Correspondence from the registered legal land owner(s)
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No	Correspondence from persons or parties you consider are likely to be affected by the project
No	Written agreement from the relevant landowner where the project includes an activity that will occur on land returned under a Treaty settlement.
No	Written agreement from the holder of the relevant customary marine title order where the project includes an activity that will occur in a customary marine title area.
No	Written agreement from the holder of the relevant protected customary marine rights recognition order where the project includes an activity that will occur in a protected customary rights area.