

REGULATORY IMPACT STATEMENT

Return to Sea of Kina

Agency Disclosure Statement

1. This Regulatory Impact Statement has been prepared by the Ministry of Fisheries (MFish).
2. It provides an analysis of using section 72(7) of the Fisheries Act 1996 to include kina (sea urchin) on Schedule 6 to the Act. This will allow kina, when handgathered by commercial fishers and likely to survive, to be returned to sea rather than landed.
3. The analysis relies on information held by MFish and/or supplied by the fishing industry. It does not highlight any constraints or assumptions relating to the proposal.
4. The proposal will reduce industry compliance costs, and will not impair private property rights, market competition or the incentives on businesses to innovate and invest.



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Status quo and problem definition

1. With annual landings of just under 1,000t, and a port price of \$1 to \$1.50 per kg, the kina fishery is relatively low-value in greenweight terms. The profitability of fishing kina, particularly in remote areas such as Fiordland, is very sensitive to roe-recovery rate (the valuable part of the kina). In such areas the target recovery rate (roe/greenweight) for commercial viability is approximately 10%.
2. Under the status quo, fishers are unable to legally return low roe-recovery kina to sea. As a result, fishers face significant costs in freighting these kina to processing facilities, which may be many hours steaming from remote fishing grounds. Ultimately, kina with low roe-recovery may be uneconomic to process and dumped in landfills.
3. Divers are unable to satisfactorily select kina while underwater, given that underwater breathing apparatus is prohibited in the kina fishery and they are limited to breath-hold (snorkel) diving. As a result it is often not possible to assess a batch of kina for roe-recovery until it has been brought aboard the diving tender.
4. Allowing fishers to legally return kina with low roe-recovery, after they have been brought aboard the diving tender, is an alternative approach that avoids the costs associated with freighting such kina to processing and/or landfill facilities.

Objectives

5. Under Fisheries 2030¹, fishery resources are to be used in a manner that provides the greatest overall economic, social, and cultural benefit. A key task under the Fisheries 2030 five-year plan of action is ensuring fisheries laws and regulations reduce compliance costs and improve management effectiveness.
6. A draft collaborative fisheries plan developed for Southern Shellfisheries in 2008-2009² identified current management is not meeting Fisheries 2030 or draft plan outcomes for the kina fishery.

Regulatory impact analysis

7. The preferred option is to add kina to Schedule 6 to the Act. This will allow fishers to legally return kina to sea. Under this option the following requirements will be included on Schedule 6 in terms of kina:
 - Kina must be taken by the method of handgathering.
 - Kina must be likely to survive after return to the water.
8. By reducing industry compliance costs the proposal should improve efficiency and increase economic benefit from the kina fishery. It aligns with the Fisheries 2030 five-year plan of action of ensuring fisheries laws and regulations reduce compliance costs and improve management effectiveness.
9. The proposal also brings management of kina into line with other shellfish fisheries such as oysters, mussels, rock lobster, scallops, pipi and cockles. It is considered to be neutral in terms of sustainability or environmental impact as only handgathered kina likely to survive will be returned to sea.

¹ "Fisheries 2030" provides the strategic direction for the NZ fisheries sector. See www.fish.govt.nz

² See www.fish.govt.nz Southern Shellfish Draft Plan.

10. As regulatory restrictions for kina are reduced under the proposal, there are no additional regulatory, compliance or management costs. Existing Schedule 6 provisions are utilised and no specific supporting offence, penalty provisions or other management controls need to be introduced or amended.

Consultation

11. This proposal was developed as part of a draft collaborative plan for southern shellfisheries in 2008-2009. The plan included representatives from commercial, customary and recreational sectors. Feedback received during consultation on the plan was supportive. Wider consultation on the proposal was undertaken with stakeholders in May and June 2010, with all submissions supportive of the proposal.

Conclusions and recommendations

12. This paper proposes using section 72(7) of the Fisheries Act 1996 to include kina on Schedule 6 to the Act. This will allow such kina, when hand gathered and likely to survive, to be returned to the sea.

Implementation and review

13. The proposal makes use of section 72(7) of the Fisheries Act to include kina on Schedule 6. This section allows the Governor-General, by Order in Council made on the recommendation of the Minister, to add or omit from Schedule 6 the name of any stock, or amend or add new provisions to the Schedule.
14. It is proposed the change become effective in December 2010. Notification of the change would occur through circulation of the Minister's decision letter for the October regulatory round to stakeholders in the kina fishery, and the MFish website.
15. Monitoring and evaluation of the management rules for the kina fishery will be part of the National Fishery Plan for Shellfish, scheduled for October 2010.