

# Alaska Mariculture Task Force

*Established by Governor Walker's Administrative Order #280*

*Directive: "to provide recommendations to develop a viable and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska's economy, environment and communities"*

## AGENDA

March 14, 2017, 1:00pm-4:00pm

DCCED Commissioner's Conference Room, 333 W Willoughby 9th Floor, Juneau, AK

Teleconference info: 1-800-315-6338 access code: 29660

- 1) Roll Call
- 2) Review and approve agenda
- 3) Review and approve minutes: February 17, 2017
- 4) Public introductions & comments
- 5) Old business
  - a. Updates from Advisory Committee (AC) Chairs
    - i. Mike Stekoll – Research, Development & Environmental Info AC
    - ii. Sam Rabung – Regulatory Issues AC
    - iii. Angel Drobnica & Jeff Hetrick – Investment & Infrastructure AC
    - iv. Paula Cullenberg – Workforce Development AC
    - v. Heather McCarty – Public Education & Marketing AC
  - b. Update on past presentations - none
  - c. Update on ARPA-E – none
  - d. Form to document MTF member time for in-kind match to NOAA grant
  - e. Update on legislation
    - i. HB 76 - Mariculture Revolving Loan Fund
    - ii. HB 128 – Shellfish enhancement
- 6) New Business
  - a. Communications - Upcoming presentation opportunities:
    - i. SE Conference, Julie Decker, March 14 @ 3pm
    - ii. Others?
  - b. McDowell Group discussion:
    - i. Report on progress to date
    - ii. Outline of Phase 2
    - iii. Other
  - c. Discuss New Zealand Aquaculture Strategy:
    - i. Phase I (see binder or [link](#))
    - ii. Phase II (see binder or [link](#))
    - iii. Phase II - 5-year Action Plan (see binder, [link](#) or attached)
  - d. Updated outline of comprehensive planning process

- 7) Next Steps & homework assignments
- 8) Set next 3 meetings - date/time/place (April 26, May 25, ?)
- 9) Closing Comments

**Attachments:**

- MTF Minutes, February 17, 2017 - DRAFT
- Advisory Committee Agendas/Minutes/Notes (see MTF website)
- Matching Grant Fund Form
- CSHB 76 – Mariculture Revolving Loan Fund (see [link](#) or separate attachment)
- MTF Letter of support for HB 76 – FINAL
- HB 128 - Shellfish Enhancement Bill
- MTF Letter of support for HB 128 - FINAL
- Outline of Phase 2 by McDowell Group
- Outline of Comprehensive Planning Process – updated 3/8/17
- New Zealand Aquaculture Strategy:
  - [Phase I](#)
  - [Phase II](#)
  - Phase II – [5-year Action Plan](#)



## Alaska Mariculture Task Force (MTF) Meeting Minutes February 17, 2017

### Attendees

Mariculture Task Force members attending: Julie Decker, Angel Drobnica, Sam Rabung, Eric Wyatt, Jeff Hetrick, Paula Cullenberg, Kate Sullivan, Mike Stekoll, Heather McCarty, Chris Whitehead, Chris Hladick

Members of the Public: Tomi Marsh- Ocean's Alaska, Tamsen Peeples- Blue Evolution, Kirsten Shelton-Walker and Susan Bell- McDowell Group, Charlotte Regula-Whitefield- Senator Murkowski's office, Paul Fuhs- Alaska Longneck Farms, Bobby Hudson- Pacific Shellfish Institute, Eva Bornstein- Juneau Economic Development Council, Bill Hines- NOAA Fisheries, Barbara Blake- Office of Lieutenant Governor Byron Mallott, Christy Collins and Adam Smith- Department of Natural Resources, Cynthia Pring-ham- Department of Fish and Game, Linda Mattson - Department of Commerce, Community, and Economic Development

Materials distributed to task force members included: Agenda for February 17 meeting, minutes from January 11 meeting; AC Chairs and McDowell Group Meeting minutes, advisory committee minutes, MTF Handout, Press Release, HB 76, Shellfish Enhancement bill, draft letters of support for draft bills, MTF Planning diagram

### 8:03am Chairman Chris Hladick called the meeting to order

Agenda was reviewed

No changes to agenda- agenda adopted

January 11 meeting minutes were reviewed

Minutes: no changes were made to the minutes. Julie Decker motioned to approve the minutes; Sam Rabung seconded. Minutes approved.

### Public Introductions & Comment

Public comment- Paul Fuhs Alaska Longneck Farms spoke on the Department of Natural Resources requirements and logistical struggles that exist to market his product. He will work with Sam Raybung to provide further feedback on the regulations.

Charlotte Whitetail- Senator Murkowski's office- joined and thanked the task force for holding the meeting

### Special Presentations

Kirstin Shelton-Walker updated the task force on phase 2 and 3; they are doing industry profiles on industry species in Alaska and are conducting interviews with both industry and government contacts to see the opportunities and wins that exist in this area. They will also

do research on how to support the different industries that fall under the subject of mariculture. They will create an economic framework for how things could move forward with regards to mariculture that could be included in the final comprehensive plan that is submitted to Governor Walker. After the report, they will do a cost benefit analysis of the economic impact of the plan for phase three.

Heather McCarty asked Kirstin regarding the farms in the industry and including hatcheries in their research. They have included hatcheries. McDowell group is also looking for input on the subject of hatcheries versus enhancement.

McDowell group will get the MTF a timeline for dates for completion of industry interviews, and when they have finished looking at the investment strategies from both public and private industries, and once they have a finished rough draft of their plan.

### **Old Business:**

Updates from Advisory Committee Chairs:

Sam Rabung- Regulatory Issues (meeting scheduled for Feb 28)

Jeff Hetrick & Angel Drobica- the Investment & Infrastructure (met on Jan 20)

Paula Cullenberg- Workforce Development (met on Feb 8)

Heather McCarty- Public Education and Marketing (met on Feb 14)

Mike Stekoll- Research, Development & Environmental Information (have met twice since Jan 11, will get notes to Sam to include in the website)

Notes from AC updates

Regulatory Issues AC: Adam Smith from DNR assisted Sam in update and they are crafting recommendations to bring to the full MTF

Research, Development and Environmental Information AC: identified short, mid, and long term goals

- Short term: focus on species and combining what they've already done within that context and see what needs to be done for each. Come up with some short term goals for research that needs to be done to support the industry and also research environmental factors that can affect shellfish.
- Mid term: look farther out to potential species and looking to other places for their technology on how to import species to Alaska Long term: put together ideas for overarching research structure for mariculture in Alaska.
- Sam Rabung posed the question to see if the AC supports baseline studies on indigenous stocks with regards to transporting grow out. They are researching the issue.
- Paul Fuhs requested that the AC research to test better for Paralytic Shellfish Poisoning (PSP). Heather mentioned that there were several projects that were in the works to develop an in the field test kit. Chris expounded on the bio toxin testing in the Sitka lab and are in the process of working with the State and the FDA to offer the receptor binding assay method and have it utilized for commercial geoduck harvesting.
- Chris will provide Mike a short summary of the work that they have been doing on PSP.
- Kate: the Alaska Department of Environmental Conservation is in the final process of getting the HPLC method approved as well.

Investment and Infrastructure AC: will work with McDowell group to help identify a common format for gathering information and recommendation

Public Education and Marketing AC: discussion had on ideas to include both marketing, public education, and product development information in the full comprehensive plan

- Jeff Hetrick will talk to Heather off line on marketing thoughts that he has that he would like to be addressed
- Barbara Blake met with Dan Cornelius with Intertribal Agriculture Council as well as Ross Racine and Zach Ducheneaux ED and Dir of the Intertribal Agriculture Council and suggested to the task force that they should start engaging with native aquaculture groups.
- Kate mentioned that if the task force is going to recommend doing business with the EU, that they must also consider the cost.
- Workforce Development AC: updated task force on the incentives for new people to get into the industry and the incentives for farmers to have new people train on their farms. They also discussed resources needed to facilitate workforce development.

Update on past presentations

- Sam Rabung will get the presentation that was put on by the Sitka Sound Science center regarding seaweeds and salmon hatchery infrastructure
- Paula Cullenberg was on a panel with Hunter Painter- Alutiiq Pride Hatchery and Karen from DNR in front of Chugach region summit.
- JEDC Innovation Summit- Tamsen and Julie presented; at the summit announced the Path to Prosperity award and the winner was Wild Alaska Kelp Company.

Update on ARPA-E (seaweed as biofuel)

Julie updated MTF on ARPA-E: the company that is researching ways to turn seaweed into biofuel. Pre-proposal deadline was Feb 14th. AFDF submitted a pre-proposal and they are waiting to see if they will be selected to submit a full proposal in the spring. AFDF sees their role as one of helping to coordinate and communicate to be sure that Alaska activity is integrated in the program. The goal of the grant is to increase the efficiency of growing and harvesting seaweed.

Updates on Shellfish Enhancement Bill- HB 128

Fish & Game are scheduled to attend the hearings

- Heather McCarty motioned to accept the letter as drafted with amendments understood in discussion; Sam Rabung seconded
- Discussion to amend the content of the letter
- Julie Decker moved to amend the letter by striking "in a similar fashion as the current management of salmon fishery enhancement and hatcheries" HM seconded amendment passed Main letter motion carried- letter as amended approved
- Motion to approve the letter as amended passed
- Jeff Hetrick requested that if the bill is passed to please have F&G work with the industry to input the regulations that would be drafted as a result

Updates on Mariculture Revolving Loan Fund bill- HB 76

- Members engaged in a discussion on working with the sponsor of the bill to amend it to make it mirror more of the salmon hatchery loan fund. Division of Economic

Development Director Britteny Cioni-Haywood joined the meeting to discuss DED's role in the bill

- Heather McCarty motioned to accept the letter as drafted with amendments understood in discussion; Julie Decker seconded
- Julie Decker motioned to amend the letter by striking "similar to how the salmon hatches have been able to apply for loan funds through the fisheries enhancement revolving loan fund" and add at the end of the paragraph "Additionally, the task force would like to work with your office to make changes to HB 76 to more fully meet the needs of this developing industry and to accommodate provisions included in the passage of HB 128. Heather McCarty seconded
- Sam suggested an amendment to the amendment to add the words "from the mariculture revolving loan fund to the end of the sentence that was struck"
- Amendment as amended passed
- Main letter motion carried- letter as amended approved

Both Sam Rabung and Commissioner Hladick will check to see if they can include their names in the letters of support.

#### **New Business:**

Communications-Upcoming presentation opportunities

- March 14th Southeast Conference presentation
- Julie will work with the United Fishermen of Alaska to garner support for the two bills

Updated outline of comprehensive planning process

- Heather McCarty suggested to add a line that goes from the McDowell group updating the task force to the final plan
- Sam Rabung suggested that the "McDowell completes phase three" and "the revise draft bubbles" be swapped (suggestion agreed with and accepted by the task force)
- September 1- McDowell group brings their report to MTF and it goes into the comprehensive plan along with the components from the MTF AC's which together will become the draft of the compressive plan.
- Heather McCarty noted that the parts of the comprehensive plan that the MTF going to be responsible for needs to be identified before September 1.
- Sam Rabung recommended that since the AC's portion is due April 1, that will inform what goes into phase 2 of the McDowell group study; and that will get us to a starting point of the draft that we will get back.
- Heather McCarty suggested to move the "MTF creates draft comprehensive plan" bubble to after the April 1 deadline.
- Julie Decker suggested to amend the comprehensive plan timeline after we receive the timeline from the McDowell group Commissioner Hladick- box coming out of April 1 McDowell begins phase 2 and MTF begins drafting comprehensive plan; MTF creates draft comprehensive plan
- Julie Decker recommended that two bubbles under April 1 should be added
  - McDowell creates outline of phase 2
  - MTF creates outline of draft comprehensive plan
- McDowell group will work with the AC's to be sure that the outline format is the same

- As the work of the public education task force will not be covered by the McDowell group, Heather McCarty will bring back an outline by April 1 to the MTF. Between April 1 and September 1 they will begin to flesh out the outline
- AC deadlines are due April 15th so that they can be distributed to the task force members
- McDowell group will have their outline to MTF by March meeting
- Heather- recommended that the comprehensive plan be kept on the agenda so that the MTF can tweak it at every meeting.

Form to document MTF Member time for in-kind match to NOAA grant

- Julie Decker will draft a form to keep track of MTF time, AC work, and time spent on homework
- Linda will distribute to MTF members once Julie has the form

Discussion regarding options for funding/ resources to facilitate MTF

- Julie has spoken with NOAA and a couple other agencies on this subject
- Charlotte Regula-Whitefield provided a small introduction to the MTF; they are hopeful that she could help identify federal programs that might help fund the MTF work
- There is a potential USDA rural development grant that might be helpful- Julie is doing some additional research on this grant We need approximately \$50,000
- Commissioner Hladick recommended drafting a budget to implement the strategic plan

Discuss communication/ work with Congressional Delegation

- Barbara Blake is checking to see if Murkowski and Sullivan will have receptions while they are in Alaska on break
- Senator Murkowski is going to the Symphony of Seafood event
- Eric Elam is the person on Senator Sullivan's staff to contact regarding mariculture issues
- Heather- recommended to get in touch with Senator Sullivan's staff as he is on the fisheries committee Barbara is coordinating meetings with the delegation and requested the task force members send her any topics to discuss with them

### **Homework:**

AC Chairs- send Sam Rabung any information that you have regarding meetings to post on the mariculture website

MTF Members- sent Heather McCarty ideas on groups that the task force should present to Work on legislation with Rep. Ortiz's office and other members of the legislature to garner support

### **Next meeting dates:**

**March 14, 2017 from 8am to 12pm**

**April 26, 2017 from 9am to 1pm**

**TENT: May 25, 2017 from 8am to 12pm**

**10:53am Meeting adjourned by Chairman Hladick**

**Alaska Fisheries Development Foundation  
 Matching Grant Funds - Documentation Form  
 Mariculture Task Force Meetings**

Name	Signature	12/4 2015	6/1 2016	6/20 2016	9/30 2016	11/9 2016	1/11 2017	2/17 2017	3/14 2017
Paula Cullenberg									
Julie Decker									
Angel Drobnica									
Jeff Hetrick									
Chris Hladick									
Heather McCarty									
Sam Rabung									
Mike Stekoll									
Kate Sullivan									
Chris Whitehead									
Eric Wyatt									
Linda Mattson									
Micaela Fowler									

The above signatures certify that these members of the Mariculture Task Force spent the hours listed above in either meetings or preparation time for meetings of this group and that these salaries were paid by non-federal funds.



# Alaska Mariculture Task Force

Representative Daniel Ortiz  
State Capitol, Room 513  
Juneau, Alaska 99801  
Ph: 907-465-3824  
[Representative.Dan.Ortiz@akleg.gov](mailto:Representative.Dan.Ortiz@akleg.gov)

## RE: Support for HB 76 – Mariculture Revolving Loan Fund

Dear Representative Ortiz,

February 24, 2017

The Alaska Mariculture Task Force (Task Force) would like to express support for HB 76. ***The Task Force recognizes that HB 76 is part of a larger effort to develop mariculture in Alaska.***

At the request of industry and communities, Governor Walker established the Task Force by [Administrative Order #280](#). The Governor recognized that a developed mariculture industry will have economic, environmental, cultural, industrial and food security benefits to Alaskans. Members of the Task Force were appointed in May, 2016. The Governor's directive to the Task Force is to provide recommendations for a comprehensive plan ***to develop a viable and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska's economy, environment, and communities.*** The Task Force must complete its work by March 1, 2018.

The Task Force would like to highlight that we are using the following guiding principles in our work to develop the mariculture industry:

- 1) Mariculture is defined as enhancement of wild fisheries and aquatic farming of shellfish and aquatic plants. Mariculture does not include finfish farming, which is not allowed in Alaska.
- 2) The development of the mariculture industry will be compatible with Alaska's reputation as a world leader in responsible and sustainable management of its seafood resources.
- 3) The development of the mariculture industry will be stakeholder-driven.
- 4) The development of the mariculture industry will coordinate and integrate with those entities conducting ocean monitoring in order to inform research and management of changing ocean conditions.

***HB 76 plays an important role in the development of mariculture in Alaska.*** HB 76 allows for shellfish and seaweed hatcheries to apply for loans funds from the Mariculture Revolving Loan Fund. This will provide an important source of support for these new hatcheries. Additionally, the Task Force would like to work with your office to make changes to HB 76 to more fully meet the needs of this developing industry and to accommodate provisions included with the passage of HB 128.

The Task Force has identified shellfish and seaweed hatcheries as a critical piece of infrastructure that is necessary for the development of mariculture in Alaska. However, the financial support of these operations is difficult during the developmental stage of the industry when the industry is too small to financially support these operations entirely through seed sales. This type of support will help to break the chicken-or-egg stage of the industry and provide the support to help the industry to grow past this stage.

**The Mariculture Revolving Loan Fund is an existing \$5 million asset of the State of Alaska that was created to help develop the mariculture industry by providing loans to aquatic farmers.** However, if farmers do not have a consistent source of seed to purchase, it is difficult for them to grow and expand their businesses, including accessing this loan fund. **HB 76 will amend the Mariculture Revolving Loan Fund to more effectively and fully deploy this asset to develop the mariculture industry.**

Thank you for sponsoring this important legislation. ***The Task Force supports HB 76 and appreciates your proactive role in introducing the legislation.*** If there are any questions, you may contact members of the [Task Force](#).

Sincerely,

Alaska Mariculture Task Force

Cc:

Representative Stutes, Chair, House Fisheries Committee: [Rep.Louise.Stutes@akleg.gov](mailto:Rep.Louise.Stutes@akleg.gov)  
Reid Harris, Staff, House Fisheries Committee: [Reid.Harris@akleg.gov](mailto:Reid.Harris@akleg.gov)

**HOUSE BILL NO. 128**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE ORTIZ

Introduced: 2/15/17

Referred: House Special Committee on Fisheries, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to management of enhanced stocks of shellfish; authorizing certain  
2 nonprofit organizations to engage in shellfish enhancement projects; relating to  
3 application fees for salmon hatchery permits; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 16.05.730(c) is amended to read:

6 (c) The board may

7 **(1)** consider the need of enhancement projects authorized under  
8 AS 16.10.400 and contractors who operate state-owned enhancement projects under  
9 AS 16.10.480 to harvest and sell fish produced by the enhancement project that are not  
10 needed for brood stock to obtain funds for the purposes allowed under AS 16.10.450  
11 or 16.10.480(d);

12 **(2)** **consider the need of enhancement projects authorized under**  
13 **AS 16.12.010 to harvest and sell shellfish that are not needed for brood stock to**  
14 **obtain funds for the purposes allowed under AS 16.12.080;**

1                   **(3)** [. THE BOARD MAY] exercise its authority under this title as it  
 2 considers necessary to direct the department to provide a reasonable harvest of fish, in  
 3 addition to the fish needed for brood stock, to an enhancement project to obtain funds  
 4 for the enhancement project if the harvest is consistent with sustained yield of wild  
 5 fish stocks; **and**

6                   **(4)** [. THE BOARD MAY] adopt a fishery management plan to  
 7 provide fish to an enhancement project to obtain funds for the purposes allowed under  
 8 AS 16.10.450, [OR] 16.10.480(d), **or AS 16.12.080**.

9 \* **Sec. 2.** AS 16.10.400(b) is amended to read:

10                   (b) The application for a permit under this section shall be on a form  
 11 prescribed by the department and be accompanied by an application fee of **\$1,000**  
 12 [\$100]. The commissioner may waive the submission of an application for a permit to  
 13 operate a hatchery under AS 16.10.480.

14 \* **Sec. 3.** AS 16 is amended by adding a new chapter to read:

15                   **Chapter 12. Shellfish Enhancement Projects.**

16                   **Sec. 16.12.010. Permits for shellfish enhancement projects.** (a) Subject to  
 17 the restrictions imposed by statute or regulation under this chapter, the commissioner  
 18 may issue a permit to a nonprofit corporation organized under AS 10.20 for a shellfish  
 19 enhancement project.

20                   (b) Each applicant for a permit under this section shall apply in a format  
 21 prescribed by the department and pay an application fee of \$1,000.

22                   (c) A permit issued under this section is nontransferable. If a permit holder  
 23 sells or leases a facility for which a permit has been issued under this section, the new  
 24 operator shall apply for a permit under this section.

25                   (d) The commissioner shall consult with and solicit recommendations from  
 26 federal and state agencies and technical experts in the relevant area regarding permit  
 27 stipulations and issuance.

28                   (e) The commissioner may not issue a permit under this section unless the  
 29 commissioner determines that the action would result in substantial public benefits and  
 30 would not jeopardize natural stocks.

31                   **Sec. 16.12.020. Hearings before permit issuance.** (a) At least 30 days before

1 the issuance of a permit under AS 16.12.010, the department shall hold a public  
2 hearing in a central location in the vicinity of the proposed release of shellfish.

3 (b) Notice of the hearing shall be published in a newspaper of general  
4 circulation once a week for three consecutive weeks, with completion of the notice at  
5 least five days before the hearing.

6 (c) The department shall conduct the hearing. The applicant shall present a  
7 plan for the proposed shellfish enhancement project describing relevant facts that may  
8 be of interest to the department or to the public and the capacity of the facility. The  
9 department shall give interested members of the public an opportunity to be heard.

10 (d) The department shall record and consider objections and recommendations  
11 offered by the public at the hearing conducted under this section. The department shall  
12 respond in writing, not later than 30 days after the hearing is held, to a specific  
13 objection offered by a member of the public at the hearing.

14 **Sec. 16.12.030. Conditions of a permit.** The department shall require, in a  
15 permit issued under this chapter, that the permit holder

16 (1) procure shellfish from the department or a source approved by the  
17 department;

18 (2) place shellfish only in water of the state specifically designated in  
19 the permit;

20 (3) not procure or place genetically modified shellfish into the water of  
21 the state;

22 (4) not resell or transfer shellfish sold to a permit holder by the state or  
23 by another party approved by the department;

24 (5) not release shellfish before approval of the department, and, for  
25 purposes of pathological examination and approval, that the permit holder notify the  
26 department at least 15 days before the date of the proposed release of shellfish;

27 (6) destroy diseased shellfish in a specific manner and place designated  
28 by the department;

29 (7) harvest shellfish only at specific locations and under specific  
30 conditions as designated by the department;

31 (8) make surplus shellfish available for sale first to the department and

1 then, after inspection and approval by the department, to other permit holders  
2 operating under this chapter;

3 (9) provide a copy of the sales transaction to the department if surplus  
4 shellfish are sold by a permit holder to another permit holder;

5 (10) release shellfish in an area where the shellfish will be available to  
6 traditional fisheries, subject to the provisions of this chapter and regulations adopted  
7 under this chapter.

8 **Sec. 16.12.040. Alteration, suspension, or revocation of permit.** (a) If a  
9 permit holder fails to comply with the conditions and terms of the permit issued under  
10 AS 16.12.010 within a reasonable period after notification by the department of  
11 noncompliance, the permit may be suspended or revoked, in the discretion of the  
12 commissioner.

13 (b) If the commissioner finds that the operation of the permitted activity is not  
14 in the best interests of the public, the commissioner may alter the conditions of the  
15 permit to mitigate the adverse effects of the operation or, if the adverse effects are  
16 irreversible and cannot be mitigated sufficiently, initiate a termination of the operation  
17 under the permit over a reasonable period under the circumstances, not to exceed four  
18 years. During the period that the operation is being terminated, the permit holder may  
19 harvest shellfish under the terms of the permit but may not release additional shellfish.

20 **Sec. 16.12.050. Regulations relating to released shellfish.** (a) Shellfish  
21 released into the natural water of the state by a permit holder under this chapter are  
22 available to the people for common use and are subject to regulation under applicable  
23 law in the same way as shellfish occurring in their natural state except when they are  
24 in a special location designated by the department for harvest by a permit holder.

25 (b) The Board of Fisheries may, after the issuance of a permit by the  
26 commissioner, amend by regulation adopted in accordance with AS 44.62  
27 (Administrative Procedure Act), the terms of the permit relating to the source of brood  
28 stock, the harvest of shellfish by permit holders, and the specific locations designated  
29 by the department for harvest. The Board of Fisheries may not adopt a regulation or  
30 take an action regarding the issuance or denial of a permit required in this chapter.

31 **Sec. 16.12.060. Department assistance and cooperation.** (a) Before and after

1 permit issuance under AS 16.12.010, the department shall make reasonable efforts,  
 2 within the limits of time and resources, to advise and assist applicants or permit  
 3 holders, as appropriate, as to shellfish enhancement projects, including the planning,  
 4 construction, and operation of facilities.

5 (b) Nothing in this section exempts an applicant or permit holder from  
 6 compliance with this chapter or from compliance with the regulations or restrictions  
 7 adopted under this chapter.

8 **Sec. 16.12.070. Brood stock sources.** (a) The department shall approve the  
 9 source and number of shellfish taken for use as brood stock under AS 16.12.010 -  
 10 16.12.199.

11 (b) Where feasible, a permit holder shall first take shellfish from stocks native  
 12 to the area in which the shellfish will be released.

13 **Sec. 16.12.080. Sale of shellfish; use of proceeds; quality and price.** (a) A  
 14 permit holder that sells shellfish harvested from the natural water of the state, or sells  
 15 shellfish to another permit holder under this chapter, shall use the funds only for  
 16 reasonable operating costs, including debt retirement, expanding its facilities, shellfish  
 17 enhancement projects, shellfish research, or to assist in meeting the department's costs  
 18 of managing the affected fisheries for the area in which the shellfish release is located.

19 (b) A permit holder shall ensure that shellfish harvested and sold for human  
 20 consumption are of comparable quality to shellfish harvested by commercial fisheries  
 21 in the area and are sold at prices commensurate with the current market.

22 **Sec. 16.12.090. Cost recovery fisheries.** (a) A permit holder may harvest  
 23 shellfish for a shellfish enhancement project in

24 (1) a special harvest area through agents or employees of or persons  
 25 under contract with the permit holder as provided under a permit from the department  
 26 or regulations of the Board of Fisheries; or

27 (2) a special harvest area through the common property fishery under  
 28 this section.

29 (b) A permit holder may, by a majority vote of the membership of the permit  
 30 holder's board, elect to harvest shellfish in a special harvest area established for an  
 31 enhancement project through the common property fishery. At the request of the

1 permit holder and if the commissioner determines that there are no allocative issues  
2 involved, and after reasonable consultation with affected commercial fishermen, the  
3 commissioner may adopt regulations governing the harvest of shellfish in a special  
4 harvest area through a common property fishery. The regulations must specify the  
5 terms, conditions, and rules under which the common property fishery in the special  
6 harvest area shall be conducted, including requirements for holding inspections and  
7 reporting of harvests and sales of shellfish taken in the special harvest area. Following  
8 adoption of regulations by the department, before January 15 of each year, the permit  
9 holder's board of directors, by a majority vote of the board's membership, may  
10 determine whether the permit holder will operate under the regulations adopted under  
11 this subsection during the current calendar year and shall notify the department if the  
12 permit holder intends to operate under the regulations adopted under this subsection.  
13 The Board of Fisheries may adopt regulations under AS 16.05.251 regarding a  
14 fisheries management plan governing operations under this subsection in a special  
15 harvest area, including allocation plans. Participation in the fishery must be open to all  
16 interim-use permit and entry permit holders who hold permits to operate a type of gear  
17 that may be used in the fishing district in which the special harvest area is located if  
18 that type of gear is authorized by regulation to be used in the special harvest area. An  
19 interim-use permit holder or an entry permit holder who takes shellfish in a common  
20 property fishery in a special harvest area may sell the shellfish to a fish buyer or  
21 processor who is licensed to do business in the state.

22 (c) As a condition of participation in a common property shellfish fishery in a  
23 special harvest area under this section, a fisherman who participates in the fishery is  
24 subject to the payment of the assessment levied under (d) of this section on the  
25 projected value of the shellfish or on the pounds of shellfish harvested. The  
26 assessment is levied on the shellfish that the fisherman takes in the special harvest area  
27 and sells to a licensed buyer. The buyer of the shellfish must be licensed under  
28 AS 43.75, and the buyer shall collect the assessment on shellfish taken in a special  
29 harvest area at the time of purchase and remit the assessment to the Department of  
30 Revenue in accordance with regulations adopted by the Department of Revenue.

31 (d) The Department of Revenue may, by regulation, annually, by March 1 of



1 each year, set the assessment levied on shellfish taken in a special harvest area in  
2 consultation with the Department of Commerce, Community, and Economic  
3 Development, the permit holder, and representatives of affected commercial  
4 fishermen. The assessment shall provide sufficient revenue to cover debt service,  
5 reasonable operating expenses, reasonable maintenance expenses, and development or  
6 maintenance of a reserve fund up to 100 percent of annual operating costs of the  
7 permit holder's shellfish enhancement project. In setting the assessment, the  
8 department shall consider the estimated harvest of shellfish in the special harvest area,  
9 the projected price to be paid for shellfish in the region, the amount of the existing  
10 reserve held by the permit holder, and the amount by which the assessment collected  
11 in previous years exceeded or fell short of the amount anticipated to be collected. The  
12 assessment may not exceed 50 percent of the value of the shellfish. The department  
13 may levy the assessment as a percentage of the projected value of the shellfish  
14 harvested in the special harvest area or as a flat rate on each pound of shellfish  
15 harvested in the area, to the nearest whole cent.

16 (e) The Department of Revenue shall deposit the assessments collected under  
17 this section in the general fund. The legislature may appropriate the funds collected  
18 under this section to the permit holder who is carrying out an enhancement project,  
19 including the operation of a facility, in the special harvest area in which the  
20 assessment was levied. A permit holder shall use funds appropriated under this  
21 subsection for the purposes set out under AS 16.12.080(a). The legislature may also  
22 appropriate funds collected under this section to the Department of Revenue for costs  
23 incurred by the department under this section.

24 (f) A person who violates a regulation adopted under (b) of this section is  
25 guilty of a violation under AS 16.05.722 or a misdemeanor under AS 16.05.723. A  
26 person who violates a regulation adopted by the Department of Revenue under (c) of  
27 this section is guilty of a class A misdemeanor.

28 (g) In this section,

29 (1) "special harvest area" means an area designated by the  
30 commissioner or the Board of Fisheries where shellfish may be harvested by permit  
31 holders under this chapter and by the common property fishery;

1 (2) "value" has the meaning given in AS 43.75.290.

2 **Sec. 16.12.100. Inspection by the department.** (a) A permit holder shall  
3 allow the department to inspect the permit holder's enhancement project facility at any  
4 time the enhancement project facility is in operation. The department shall conduct the  
5 inspection in a reasonable manner.

6 (b) The department shall bear the cost of an inspection performed under this  
7 section.

8 **Sec. 16.12.110. Annual report.** A person who holds a permit under this  
9 chapter shall submit an annual report not later than December 15 to the department.  
10 The report must be made on a form prescribed by the department and contain  
11 information pertaining to

12 (1) species;

13 (2) the brood stock source;

14 (3) the number, age, gender, and size of spawners;

15 (4) the number of eggs collected and juveniles produced; and

16 (5) the number, age, gender, and size of harvested shellfish attributable  
17 to releases by the permit holder.

18 **Sec. 16.12.199. Definitions.** In this chapter,

19 (1) "enhancement project" means a project to

20 (A) augment the yield and harvest of shellfish above naturally  
21 occurring levels by natural, artificial, or semi-artificial production systems;

22 (B) rehabilitate a shellfish stock by restoring it to its natural  
23 levels of productivity; or

24 (C) increase the area of productive natural shellfish habitat;

25 (2) "facility" means a hatchery or other facility for a shellfish  
26 enhancement project;

27 (3) "genetically modified shellfish" means shellfish whose genetic  
28 structure has been altered at the molecular level by recombinant DNA and RNA  
29 techniques, cell fusion, gene deletion or doubling, introduction of exogenous genetic  
30 material, alteration of the position of a gene, or other similar procedure using artificial  
31 processes;

1 (4) "hatchery" means a facility for the artificial propagation of stock,  
2 including rearing of shellfish and release of shellfish into the natural water of the state;

3 (5) "shellfish" means a species of crustacean, mollusk, or other  
4 invertebrate, in any stage of its life cycle, that is indigenous to state water.

5 \* **Sec. 4.** AS 16.43.400(a) is amended to read:

6 (a) In addition to entry permits, interim-use permits, and educational permits,  
7 the commission may issue special harvest area entry permits to

8 **(1)** holders of private, nonprofit hatchery permits issued by the  
9 Department of Fish and Game under AS 16.10.400 - 16.10.475 **for salmon; or**

10 **(2) nonprofit organizations holding a permit under AS 16.12 for a**  
11 **shellfish enhancement project.**

12 \* **Sec. 5.** AS 16.43.430 is amended to read:

13 **Sec. 16.43.430. Authorized gear.** For the purposes of harvesting salmon **or**  
14 **shellfish**, a special harvest area entry permit holder may employ any fishing gear  
15 designated as legal gear in the applicable special harvest area by the Board of  
16 Fisheries.

17 \* **Sec. 6.** AS 17.20.049(b)(1) is amended to read:

18 (1) "farmed fish" means fish that is propagated, farmed, or cultivated  
19 in a facility that grows, farms, or cultivates the fish in captivity or under positive  
20 control but that is not a salmon hatchery that is owned by the state or that holds a  
21 salmon hatchery permit under AS 16.10.400 **or a shellfish facility that is permitted**  
22 **under AS 16.12.010**; in this paragraph, "positive control" has the meaning given in  
23 AS 16.40.199;

24 \* **Sec. 7.** AS 43.20.012(a) is amended to read:

25 (a) The tax imposed by this chapter does not

26 (1) apply to an individual;

27 (2) apply to a fiduciary;

28 (3) for a tax year beginning after December 31, 2012, apply to an  
29 Alaska corporation that is a qualified small business and that meets the active business  
30 requirement in 26 U.S.C. 1202(e) as that subsection read on January 1, 2012; [OR]

31 (4) for a tax year beginning after June 30, 2007, apply to the income

1 received by a regional association qualified under AS 16.10.380 or nonprofit  
 2 corporation holding a hatchery permit under AS 16.10.400 from the sale of salmon or  
 3 salmon eggs under AS 16.10.450 or from a cost recovery fishery under AS 16.10.455;

4 **or**

5 **(5) apply to income received by a nonprofit corporation holding a**  
 6 **permit under AS 16.12.010 from the sale of shellfish under AS 16.12.080 or from**  
 7 **a cost recovery fishery under AS 16.12.090.**

8 \* **Sec. 8.** AS 43.20.012(a), as repealed and reenacted by sec. 2, ch. 55, SLA 2013, is  
 9 amended to read

10 (a) The tax imposed by this chapter does not apply to

11 (1) an individual;

12 (2) a fiduciary; [OR]

13 (3) the income received by a regional association qualified under  
 14 AS 16.10.380 or nonprofit corporation holding a hatchery permit under AS 16.10.400  
 15 from the sale of salmon or salmon eggs under AS 16.10.450 or from a cost recovery  
 16 fishery under AS 16.10.455; **or**

17 **(4) the income received by a nonprofit corporation holding a**  
 18 **permit under AS 16.12.010 from the sale of shellfish under AS 16.12.080 or from**  
 19 **a cost recovery fishery under AS 16.12.090.**

20 \* **Sec. 9.** AS 43.76.390 is amended to read:

21 **Sec. 43.76.390. Exemption.** AS 43.76.350 - 43.76.399 do not apply to salmon  
 22 **or shellfish** harvested under a special harvest area entry permit issued under  
 23 AS 16.43.400.

24 \* **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to  
 25 read:

26 APPLICABILITY. AS 16.10.400(b), as amended by sec. 2 of this Act, applies to  
 27 salmon hatchery permits applied for on or after the effective date of sec. 2 of this Act.

28 \* **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to  
 29 read:

30 TRANSITION: REGULATIONS. The Department of Fish and Game may adopt  
 31 regulations necessary to implement this Act. The regulations take effect under AS 44.62

1 (Administrative Procedure Act), but not before the effective date of the law implemented by  
2 the regulation.

3 \* **Sec. 12.** Section 11 of this Act takes effect immediately under AS 01.10.070(c).

4 \* **Sec. 13.** Section 8 of this Act takes effect on the effective date of sec. 2, ch. 55, SLA  
5 2013.

# Alaska Mariculture Task Force

Representative Daniel Ortiz  
State Capitol, Room 513  
Juneau, Alaska 99801  
Ph: 907-465-3824  
[Representative.Dan.Ortiz@akleg.gov](mailto:Representative.Dan.Ortiz@akleg.gov)

## RE: Support for HB 128 – shellfish enhancement

Dear Representative Ortiz,

February 24, 2017

The Alaska Mariculture Task Force (Task Force) would like to express support for HB 128. *The Task Force recognizes that HB 128 is part of a larger effort to develop mariculture in Alaska.*

At the request of industry and communities, Governor Walker established the Task Force by [Administrative Order #280](#). The Governor recognized that a developed mariculture industry will have economic, environmental, cultural, industrial and food security benefits to Alaskans. Members of the Task Force were appointed in May, 2016. The Governor's directive to the Task Force is to provide recommendations for a comprehensive plan to develop a viable and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska's economy, environment, and communities. The Task Force must complete its work by March 1, 2018.

The Task Force would like to highlight that we are using the following guiding principles in our work to develop the mariculture industry:

- 1) Mariculture is defined as enhancement of wild fisheries and aquatic farming of shellfish and aquatic plants. Mariculture does not include finfish farming, which is not allowed in Alaska.
- 2) The development of the mariculture industry will be compatible with Alaska's reputation as a world leader in responsible and sustainable management of its seafood resources.
- 3) The development of the mariculture industry will be stakeholder-driven.
- 4) The development of the mariculture industry will coordinate and integrate with those entities conducting ocean monitoring in order to inform research and management of changing ocean conditions.

*HB 128 plays an important role in the development of mariculture in Alaska. HB 128 creates a regulatory framework with which ADF&G can allow for and manage shellfish fishery enhancement, restoration and hatcheries.* This would allow interested stakeholders to either continue or begin enhancement and/or restoration of species such as King crab, sea cucumber, geoduck, abalone, razor clams, or others. *This framework (HB 128) is absolutely necessary to continue moving forward with the development of mariculture related to wild shellfish enhancement.*

Thank you for sponsoring this important legislation. *The Task Force supports HB 128 and appreciates your proactive role in introducing the legislation.* If there are any questions, you may contact members of the [Task Force](#).

Sincerely,

Alaska Mariculture Task Force

Cc:

Representative Stutes, Chair, House Fisheries Committee: [Rep.Louise.Stutes@akleg.gov](mailto:Rep.Louise.Stutes@akleg.gov)

Reid Harris, Staff, House Fisheries Committee: [Reid.Harris@akleg.gov](mailto:Reid.Harris@akleg.gov)

# Alaska Mariculture Initiative: Economic Analysis to Inform the Comprehensive Plan: Phase 2 Report Outline

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## Executive Summary

### Introduction

*(McDowell Group)*

*Purpose and Scope of Phase 2*

*Mariculture Defined*

*Methodology*

*Report Organization*

## Chapter 1. Alaska's Mariculture Industry Today

*(McDowell Group)*

*Shellfish* (numbers of permits, operating farms, production volume and value, prices, trends, farming practices, current markets and market conditions)

*Macroalgae* (status of development efforts, production levels, farming practices, etc)

*Enhancement Activity* (overview of current research activity, plans, goals, budgets)

*Integrated Operations* (multi-species farm practices, vertical integration, etc.)

*Summary Status of Alaska's Mariculture Industry*

## Chapter 2. Alaska's Mariculture Development Challenges and Opportunities

*(McDowell Group and MTF Advisory Committees)*

*Barriers to Entry*

*Research Needs/Gaps*

*Regulatory Framework*

*Operating Costs/Logistics/Production Inputs*

*Access to Capital/Capital Requirements*

*Access to Markets and Market Development*

## Chapter 3. Investment Sources

*(McDowell Group and MTF Advisory Committees)*

*Current Mariculture Financing Overview*

*Overview of Investment Strategies*

*Overview of Investment Opportunities*

*Sources of Capital (Private, Public, Public-Private Partnerships, Tribal, other)*

*Current State and Federal Funding Environment*



## **Chapter 4. Economic Model for Development of Alaska's Mariculture Industry**

*(McDowell Group)*

### ***Farm Model Assumptions and Inputs***

- Development scenarios, 30-year horizon
- Pace of new farm development
- Scale of farming operations (small, mid-size, large)
- Critical variables and sources of uncertainty

### ***Farm Economic Impact Model Outputs***

- Farm-gate and wholesale production volumes and values
- Employment and labor income (direct and indirect)
- State lease fees and harvest tax revenues

### ***Farm Economic Impact Return on Capital Investment***

### ***Enhancement Model Assumptions and Inputs***

- Annual investment in research/enhancement activity
- Timing and scale of enhance common property harvests
- Critical variables and sources of uncertainty

### ***Enhancement Economic Impact Model Outputs***

- Ex-vessel and first wholesale value of enhanced common property harvests
- Direct and indirect economic impacts (labor income, taxes) of enhanced common property harvests

## **Chapter 5. Strategic Development Goals, Pathways, and Outcomes**

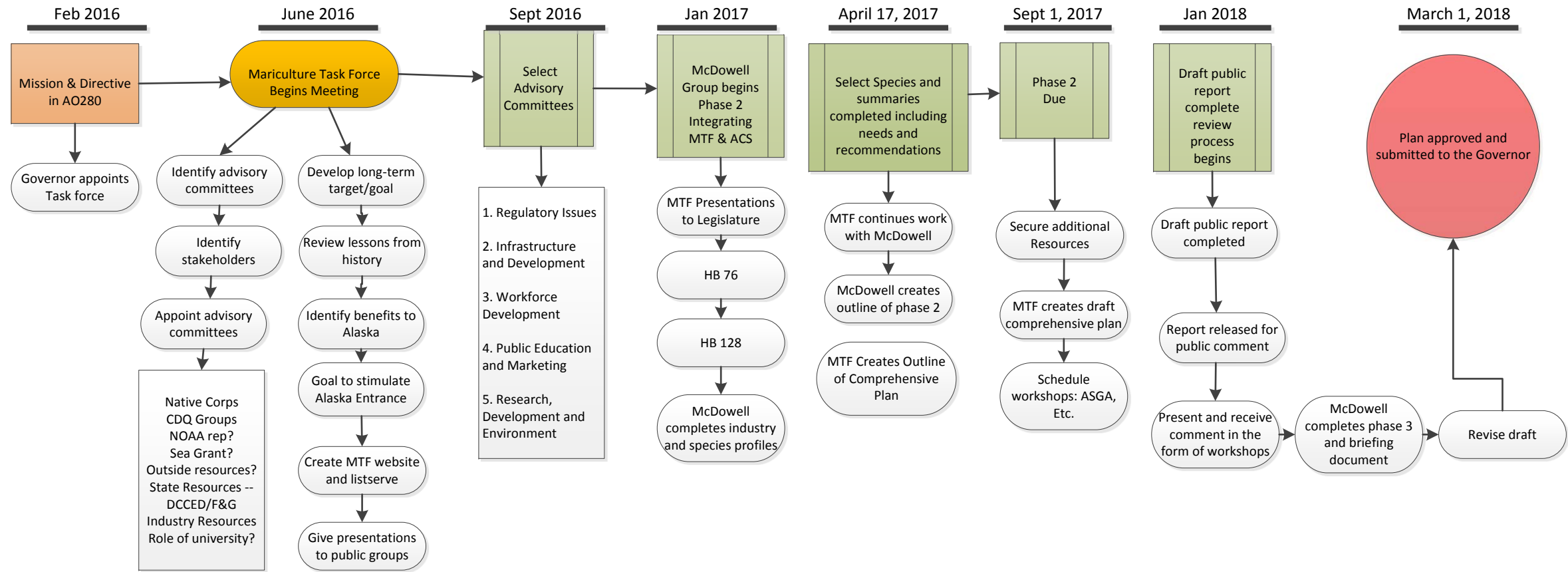
*(McDowell Group and MTF Advisory Committees)*

### ***Economic Analysis of Potential Investment Strategies***

- Farm Investment
- Enhancement Investment

### ***Recommendations for Phase 3 Analysis***

# Mariculture Task Force Comprehensive Planning Process Diagram



# The Government's Aquaculture Strategy and Five-year Action Plan to Support Aquaculture

## MINISTER'S FOREWORD

### Sustainable aquaculture growth is good for New Zealand

Our primary industries are the engine room of our economy. We need to enable primary industry growth underpinned by strong environmental performance. The Ministry for Primary Industries' (MPI) vision for our primary sectors is "Growing and Protecting New Zealand".

Within an international market characterised by strong demand for safe and sustainable seafood products, the aquaculture sector has significant growth opportunities. This growth has to be industry-led and the industry's opportunities and aspirations are reflected in their own goal of growing annual sales to NZ\$1 billion in value by 2025. The aquaculture industry has established a strategy to deliver that growth. The Government is committed to environmentally sustainable, primary sector-led strengthening of the economy and is committed to enabling the aquaculture industry to reach its goal.

The foundations for growth are already in place. Our aquaculture production is free of many of the issues facing international producers and our environmental and food safety credentials are second to none. New Zealand has good trading conditions and trade agreements with key and emerging markets. Within these markets, we can leverage off our clean green reputation; world-leading environmental, food safety, animal health and welfare standards; and biosecurity management to secure premiums and market share.

While the foundations for growth are strong, the sector faces particular challenges and has unique characteristics that distinguish it from other primary producers and necessitate a specific Government strategy and action plan. The bulk of aquaculture production comes from the use of public water space, which can only occur in a planning and allocation framework that balances and respects other uses of that space. For this reason, the steps necessary to establish aquaculture operations differ from many other primary producers.

Aquaculture is relatively young in New Zealand and has seen significant regulatory change in recent years.

The success of the most recent reforms will need central Government support, particularly for local authorities which are looking for Government to assist with their critical role in managing sector growth. The true value of the recent regulatory reforms will only be realised through a co-ordinated plan of action across Government.

This strategy and action plan establishes a whole-of-government pathway to enable the aquaculture sector to grow, be it through the development of new farming space, better use of existing space or getting better value from existing production. Government will:

- » implement the new aquaculture law and work with councils and the public to plan for sensible and sustainable future aquaculture growth in accordance with the Resource Management Act and the New Zealand Coastal Policy Statement 2010;
- » ensure the laws and frameworks governing the establishment and operation of marine and land-based aquaculture are effective and responsive, and enable industry investment;
- » deliver on the Crown's aquaculture settlement obligations to Māori and identify opportunities for improving Māori wellbeing through aquaculture development;
- » build our knowledge of environmental effects and ensure a healthy aquatic environment;
- » maintain and build our world-leading animal health and welfare, food safety, and biosecurity standards;
- » encourage investment and adoption of innovation; and
- » facilitate continued discussion between industry, government, Māori and the public as to how aquaculture should grow and be managed in New Zealand.

As the Minister responsible for aquaculture, I am excited about the pathway forward and to working with those with an interest in aquaculture to sustainably grow the sector towards its \$1 billion goal and beyond.

Hon David Carter  
Minister for Primary Industries

## SETTING THE SCENE FOR GROWTH

Aquaculture has potential to grow as an export industry for New Zealand. As the global supply of seafood from wild fisheries is limited, aquaculture has the opportunity to meet this growing world demand through increased production. Aquaculture is the world's fastest developing source of animal protein, growing by more than 60 percent over the past decade. The United Nations Food and Agriculture Organization reports that by 2025 over half of all seafood consumed globally will be farm produced. People around the world want to eat more seafood and New Zealand can supply a safe and sustainable product.

Whilst New Zealand cannot compete with low-end producers, we do have some distinct advantages to increase market share into higher-value/premium markets:

- » Our aquaculture industry has a reputation for high environmental performance and a legislative framework that ensures this is maintained.
- » We have world-leading food safety, animal health and animal welfare standards. International markets want to do business with us because their people demand safe food.
- » Our relative geographic isolation and biosecurity measures mean we are free from diseases and pests commonly affecting aquaculture production elsewhere in the world.
- » We have good water quality needed to grow a healthy and safe product.
- » We have good trading conditions and proximity to key emerging Asian markets.

### Supporting the Growth Pathway

This strategy and action plan sets out the government's intended actions and activities to support growth of the aquaculture industry over the next five years. This document includes:

- » the context for government's involvement in supporting aquaculture and commitment to enabling the industry achieve its \$1 billion goal by 2025;
- » how this strategy relates to other documents; including the aquaculture industry's own strategy;
- » a set of values and behaviours that guide how the government acts;
- » the functions and roles where government can and should act;
- » the different roles played by various government agencies;
- » key government actions and activities to support sustainable growth; and
- » markers for measuring progress and performance.



## GOVERNMENT'S COMMITMENT

Government supports well-planned and sustainable aquaculture growth in New Zealand and is committed to enabling industry to achieve its goal of \$1 billion in annual sales by 2025.

**Towards \$1 billion**  
Enabling the growth of a sustainable aquaculture industry

An essential part of this commitment is to ensure aquaculture growth takes place within acceptable environmental limits and respects other uses and values of our waterways and marine environment.

## INDUSTRY'S ROLE

Sector growth must be industry-led and this strategy links and sits beneath the aquaculture industry's own growth strategy. Government can help enable growth, but industry must identify opportunities, lead development, and invest. The Government's strategy sets a foundation for aquaculture growth and expects Government's role will reduce as industry capacity grows.

## GOVERNMENT'S ROLE

Government must act in the public interest and ensure an appropriate balance of economic, social, cultural and ecological values. Government must uphold the Crown's obligations under the Treaty of Waitangi. Government should only intervene where we add value and where industry and others cannot act alone. For aquaculture, the Government sees seven strategic areas where we can help enable growth, described in the objectives below:

<b>A Healthy Aquatic Environment</b>	Build understanding of the environmental effects of aquaculture to support consistent decision making and community comfort. Maintain water quality and ecosystem health. Build on our animal health and welfare, food safety, and biosecurity standards.
<b>Quality Planning &amp; Permitting</b>	Support efficient resource management planning and allocation processes that balances other use, ensures sustainability, and enables investment.
<b>Effective &amp; Responsive Regulation</b>	Ensure effective and responsive regulation that provides responsible stewardship of natural resources while allowing the aquaculture sector to conduct business economically.
<b>Support Māori Objectives</b>	Settle the Crown's aquaculture settlement obligations and provide support for Māori development.
<b>Increase Market Revenues</b>	Remove unnecessary barriers to trade and, consistent with our international obligations, support initiatives to increase market value.
<b>Increase Value through R&amp;D</b>	Encourage and co-invest in industry-led innovation, ensuring support for research and innovation aligns with industry priorities, identified opportunities and international obligations.
<b>Sound Governance</b>	Facilitate co-ordination across central and local government and collaboration with stakeholders to identify risks and opportunities for aquaculture.

## FIT WITH OTHER STRATEGIES AND INITIATIVES

This Aquaculture Strategy and Action Plan has been developed to complement and support the Government's overarching environmental and economic initiatives. This strategy aligns with both the aquaculture industry's strategy and the Ministry for Primary Industries' 2030 Strategy, setting out how the government can support the growth pathway established by the sector.



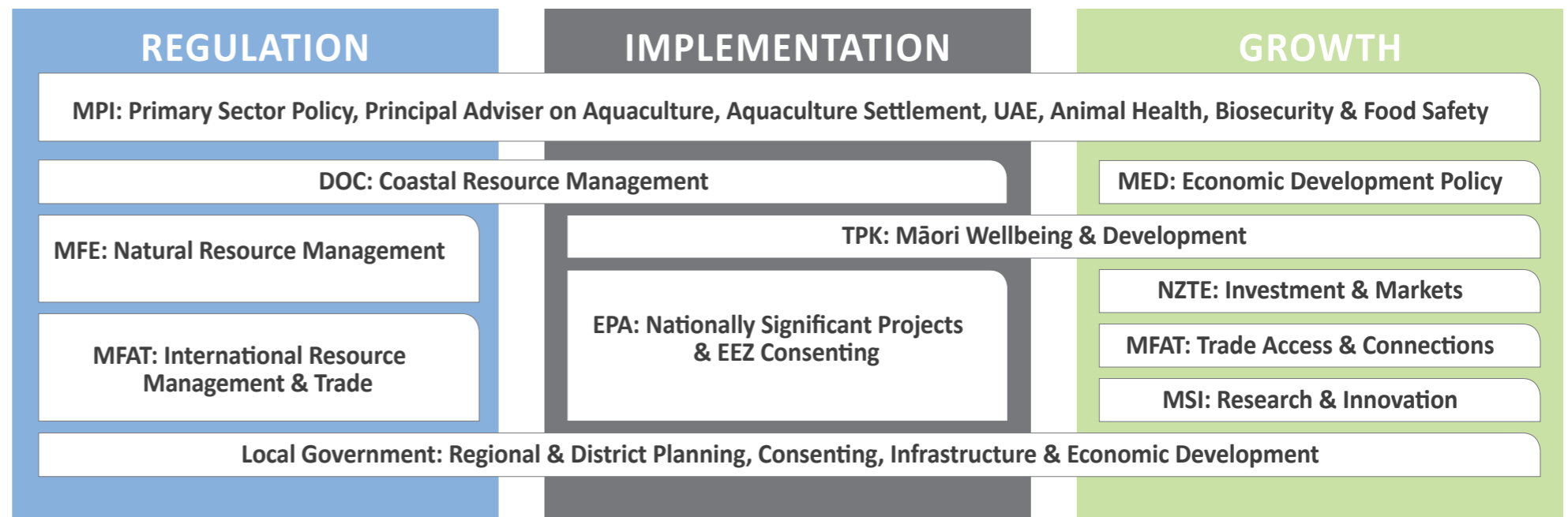
## CORE VALUES

- » **INDUSTRY-LED GROWTH:** Policy, regulatory and business environment settings are in place to enable the private sector to lead and grasp opportunities for economic growth.
- » **SUSTAINABLE:** Aquaculture growth in New Zealand must be environmentally sustainable.
- » **WELL PLANNED:** Aquaculture development takes place within regulatory frameworks that recognise the benefits of aquaculture growth and respect other uses and values of our waterways.
- » **PARTNER WITH MĀORI:** Deliver on the Crown's aquaculture settlement obligations and recognise Māori development objectives.
- » **INTERNATIONALLY LEADING:** Maintain our position as a global leader in the management of environmentally sustainable aquaculture.

## HOW WE WILL WORK

- » **DO WHAT WE DO WELL:** Align government resources on those activities where government is best suited and most able to add value.
- » **ENABLING AND PARTNERING:** Work alongside stakeholders in areas of mutual interest to maximise the benefits from sustainable economic growth.
- » **RESULTS FOCUSED:** Ensure actions are outcome oriented and delivered in a meaningful timeframe.
- » **MAKING INFORMED DECISIONS:** Decisions will be based on the best available and credible biological, economic, social and cultural information from a range of sources. Decisions will be risk and intelligence led.

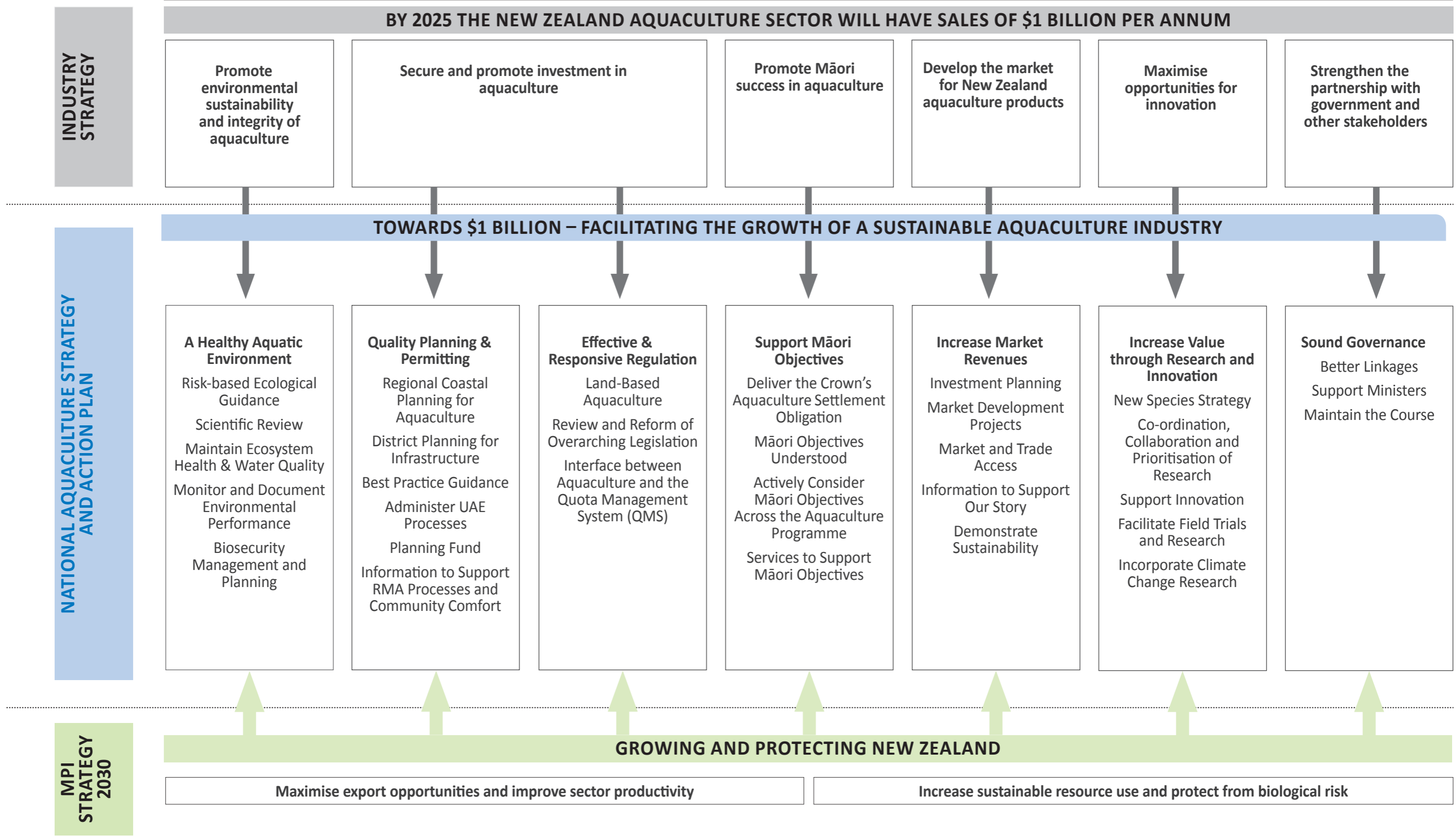
## A CO-ORDINATED RESPONSE ACROSS GOVERNMENT



Delivering on the objectives requires a whole-of-government approach. While MPI's Aquaculture Unit is the principal adviser to the Government on aquaculture, other government agencies and local government have core roles and responsibilities that connect with the aquaculture sector.

These agencies work in three key areas: to 'regulate' aquaculture activities, to 'implement' regulatory and non regulatory processes, and to enable sector 'growth'. Whilst certain agencies lead on certain matters, other agencies contribute to each other's core responsibilities. This strategy and action plan ensures greater coherence, co-ordination and prioritisation of activities across agencies.

# The Government's Aquaculture Strategy and Five-year Action Plan Map



OBJECTIVE	ACTIONS and ACTIVITIES <sup>1</sup>	DEPARTMENT Lead	TIMELINE					PERFORMANCE MEASURES (we will know we have succeeded when)
			2011/12	2012/13	2013/14	2014/15	2015/16	
A Healthy Aquatic Environment	Provide risk-based guidance to support ecological impact assessments.	MPI, DOC						<ul style="list-style-type: none"> <li>» RMA decisions informed by a national risk assessment of ecological effects</li> <li>» Councils in relevant regions have developed an integrated approach to aquaculture that maintains healthy aquatic ecosystems by 2016</li> <li>» Water quality in core aquaculture growing areas maintained or improved</li> <li>» Industry biosecurity plans in place by 2014</li> <li>» New Zealand's environmental performance as an aquaculture producer assessed as world leading</li> </ul>
	Establish a national aquaculture working group to review science for important applications and planning initiatives.	MPI, MSI						
	Through the implementation of national policy statements <sup>2</sup> , facilitate integrated management to support healthy aquatic ecosystems and maintain water quality in aquaculture growing areas.	DOC, MPI, MFE						
	Establish a process to monitor and review environmental performance.	MPI, DOC, MFE						
	Establish biosecurity plans for key growing regions.	MPI						
Quality Planning & Permitting	Work with regional councils to ensure planning to identify opportunities for aquaculture growth, including through identifying new growing areas in appropriate places and provisions to enable better use of existing space.	MPI, DOC, MFE						<ul style="list-style-type: none"> <li>» 80% of regional coastal plans include aquaculture provisions in accordance with the policies in the NZCPS by 2016</li> <li>» 4000 ha of new aquaculture space developed by 2016</li> <li>» District plans provide for essential infrastructure in key growth regions</li> <li>» 95% of consents and UAE tests within statutory timeframes</li> </ul>
	Partner with industry to develop regional growth scenarios to inform planning and prioritisation.	MPI						
	Work with district councils to ensure district planning enables aquaculture growth.	MPI, MFE						
	Develop best practice guidance for consent processing, consent conditions, information requirements and changes of use to promote national consistency.	MPI, DOC, MFE						
	Efficiently administer undue adverse effects on fishing test processes (UAE) and other permitting processes.	MPI, EPA						
	Establish and administer the 'Planning Fund' to assist councils' plans for aquaculture growth.	MPI						
Effective and Responsive Regulation	Collate and improve information on the ecological, cultural and social costs and benefits of aquaculture to support decisions and community comfort.	MPI, DOC, MFE						<ul style="list-style-type: none"> <li>» Ministers are advised on options to review land-based aquaculture in 2012</li> <li>» Reviews of relevant legislation and policies are informed by, and recognise the implications for, aquaculture</li> <li>» Ministers are advised on future management frameworks for ranching and enhancement activities by 2014</li> </ul>
	Develop options to improve the management of land-based aquaculture.	MPI, DOC						
	Complete outstanding components of marine aquaculture reforms transferred to RMA Phase II reforms.	MFE, DOC, MPI						
	Ensure aquaculture is considered in future reviews of relevant legislation and policy governing the sector (e.g. EEZ, biosecurity, animal welfare).	ALL departments						
Support Māori Objectives <sup>3</sup>	Review the interface between aquaculture and the QMS framework to enable appropriate enhancement and ranching activities.	MPI						<ul style="list-style-type: none"> <li>» Aquaculture settlement achieved within statutory timeframes</li> <li>» Iwi fish plans include Māori aquaculture objectives as appropriate</li> <li>» Māori interests are actively considered in aquaculture actions and recorded in advice</li> </ul>
	Deliver the Crown's aquaculture settlement obligation.	MPI, DOC						
	Assist Māori in developing aquaculture objectives as part of iwi fisheries plans, forum fisheries plans, or other processes.	MPI						
	Recognise specific Māori interests across the aquaculture work programme.	MPI						
Increase Market Revenues	Provide ongoing support for Māori development in aquaculture.	MPI, TPK, NZTE						<ul style="list-style-type: none"> <li>» Increased export volume and value</li> <li>» Trade conditions for aquaculture products improved</li> </ul>
	Develop an aquaculture investment plan to support growth.	NZTE, MFAT						
	Fund market co-ordination role within Aquaculture New Zealand.	NZTE						
	Ensure where appropriate that government funding for market support includes aquaculture within scope.	NZTE, MFAT						
	Review and document trade barriers in key markets for seafood products.	MPI, MFAT						
	Within trade negotiations, work to improve trade conditions for seafood products.	MFAT, MPI						
	Within markets, provide intelligence and market access support.	NZTE, MFAT						
	Maintain and review animal health, biosecurity and food safety management to gain and/or maintain trade access.	MPI						
Support efforts to demonstrate and market the sustainability of New Zealand aquaculture production, including through third-party certification of aquaculture.	NZTE, MPI, MFAT							
Increase Value through Research and Innovation	Develop and implement a strategy for new aquaculture species.	NZTE, MPI, MSI						<ul style="list-style-type: none"> <li>» An agreed plan is in place to implement a new species strategy by 2013</li> <li>» An agreed medium-term research plan is developed for aquaculture by 2013</li> <li>» Climate change implications considered across the aquaculture work programme</li> </ul>
	Establish a fit-for-purpose approach to improve prioritisation, co-ordination and alignment of aquaculture research with industry priorities.	MSI, MPI						
	Ensure government innovation funding includes aquaculture within scope.	MSI, NZTE						
	Identify opportunities to enable research and field trials in a timely manner.	MPI						
	Investigate the impacts of climate change and measures to adapt and respond.	MPI, MSI						
Sound Governance	Establish appropriate governance groups to support implementation of this strategy, such as the 'Aquaculture Forum'.	MPI						<ul style="list-style-type: none"> <li>» Stakeholders actively engaged in identifying opportunities and risk for aquaculture and the future management of the industry</li> <li>» Performance objectives for the other six objectives achieved</li> </ul>
	Complete annual reviews of the strategy and action plan.	MPI						

1 Each action and activity will have a work plan developed elaborating on how the action will be delivered and the roles of particular agencies.

2 Including the New Zealand Coastal Policy Statement 2010 and the National Policy Statement for Freshwater Management 2011.

3 Actions aligned with other objectives in this strategy will also contribute to this specific objective given the core role of Māori in the aquaculture sector.

