

E ngā mana, e ngā reo, tēnā koutou.



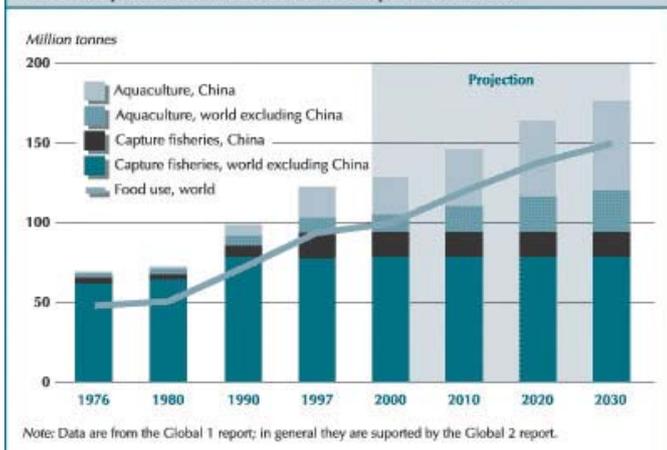
The national and international aquaculture industry is very upbeat about the prospects of 'farming water'. World demand for seafood is increasing rapidly, while the wild harvest is falling. National targets suggest a billion dollar industry in the near future and Opotiki is poised to be part of it. The 3,800 hectares of water space that has been fully consented in Eastern Bay waters is very substantial in aquaculture terms. It has the potential to transform the economy of our region and lead to other exciting opportunities. It will not only create economic growth, but will give us the tools to address social issues as well; something that is long overdue in this part of the country.

*John Forbes
Mayor – Opotiki District*

Opotiki Harbour confirmed as the Eastern Bay "route" for aquaculture

World demand for seafood is projected to increase by 35% over the next decade. New Zealand has the potential to be a significant contributor to meeting that demand, because at present, we use only 0.02% of the ocean area within our Exclusive Economic Zone to produce NZ\$350 million of aquaculture products.

FIGURE 47
World fish production and food use consumption 1976–2030



Following scoping and mapping research undertaken by Environment Bay of Plenty between 2002 and 2006, Whakatohea, along with other Iwi, recognised that the Eastern Bay of Plenty is a prime site for aquaculture investment and growth. This extensive

marine environment is now recognised as one of the most favourable in New Zealand for aquaculture. The Opotiki District alone makes up nearly 50% of the Bay of Plenty coastline. Aquaculture development has the potential to improve the Eastern Bay of Plenty's contribution to the region's economy, with flow on benefits including increased employment and higher living standards.

Opotiki Harbour supported by Regional Aquaculture Strategy

Aquaculture is identified as a priority in the Bay of Plenty's regional economic development strategy – "Bay of Connections". The region's Aquaculture Strategy is due to be launched with the vision that "the Bay of Plenty has a world class aquaculture industry". At the regional level, there is growing support to develop the aquaculture industry by Iwi, business, and local and central government. Multiple benefits are anticipated including social, economic, environmental and cultural gains. A 2005 report by URS indicated that the planned Eastern Seafarms Limited mussel farm offshore from Opotiki could create up to 900 full-time jobs, grow overall household income by up to NZ\$27million and add \$34million a year to the district's economy.

The Regional Aquaculture Strategy recognises the Opotiki Harbour development as a vital link. Anthony Olsen, of the Bay of Connections Regional Governance Group, says: "The BOP stands to derive significant economic benefit from a world class aquaculture development. This benefit is already being demonstrated through the Opotiki Whakatohea Marine farm project. The potential of this Project has been a key driver in the Opotiki District Council undertaking a harbour development to both support the marine farm and an associated processing plant. A further economic spin-off for the region is another all-weather safe access harbour in the bay, which like its bigger brother at Mt Maunganui, has the potential to attract major marine industries. Oil industry representatives are already considering port access to support an indicated significant oil find offshore from East Cape."

Eastern Seafarms' Marine Farm Consented

Strong local and regional support has contributed to the granting of resource consents for a 3,800 hectare marine farm off the Opotiki Coast. Owned by Eastern Seafarms Limited (Whakatohea Trust, Sealords, New Zealand Seafarms), the farm has the potential to increase the NZ aquaculture industry's current output by 20%.



Cawthron Institute research clearly indicates that the commercial viability of the Eastern Seafarms development, and any future marine farms in the Eastern Bay, will depend on a working port and onshore processing facility in the area.



Ian Craig, Aquaculture Project Manager for Whakatohea Trust Board and Chair of Eastern Seafarms Limited says Eastern Seafarms will be starting commercial trials of mussels in the Marine Farm in early 2010. "Initially five lines will be put in the farm to test the growing structures and to measure mussel growth rates. Whakatohea Aquaculture is also hoping to

commence pond farm trials of sea cucumbers in 2010, subject to market research showing that the New Zealand sea cucumber has market acceptance."

There is strong interest from Bay of Plenty Iwi and a Chinese seafood company to invest in the research and commercial trials to develop an aquaculture industry based in Opotiki.

Support infrastructure will be needed

Resource consents needed to develop the Opotiki Harbour entrance have been granted and the Opotiki District Council, supported by a technical advisory group, is investigating sources of support and funding for the project.

The Cawthron Institute is currently working with Eastern Seafarms to identify what is required to support a local aquaculture industry. This report will identify the employment implications of the project, including the types and numbers of jobs that will be required at different points in time. It will be extremely helpful for forward planning around other emerging requirements, such as any new housing, transport and services which may be needed to support the aquaculture industry.

In addition to providing a basis for investment decisions regarding the Eastern Seafarms venture, this report will provide a platform for updating the business case for the harbour development.

What is Government's commitment to aquaculture?

To date, regional efforts to establish which central government agency and Minister "leads" on aquaculture industry and infrastructure matters have been challenging. Given the potential for NZ export growth in aquaculture, there seems to be a significant gap in Government oversight arrangements. The Minister of Fisheries has recently acknowledged this issue, and indicated an intention to clarify the situation.

A huge 'NZ Inc' opportunity for learning

The pending Bay of Plenty ventures in offshore marine farming will provide learning opportunities for NZ and the world in both technology and marine science. New Zealand aquaculture experts know this and are already actively involved. Meanwhile, the planning and funding issues will present useful challenges for the NZ Government. This Eastern Bay venture is the thin edge of a growing wedge.

Stephen Town chairs COBoP, a network of government agency Managers and local authority Chief Executives in the Bay. "CoBoP prioritised supporting this initiative because of its potential for Maori



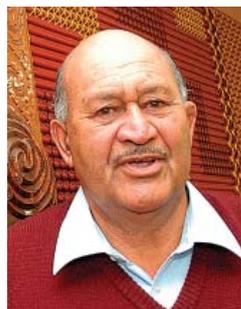
and economic development and the positive changes it will bring for the whole region," he says. "It provides a learning opportunity for the region and for NZ, about how to accelerate community economic development possibilities. We need effective, connected local and central government working proactively with all sectors, and speedier, more responsive avenues with Wellington. We can also learn through this example about more effective approaches to integrated infrastructure planning."

Planning for land-use, support infrastructure, housing, community services and targeted skills will also be required. This example will provide a learning experience in growth planning for smaller communities where significant aquaculture ventures are planned. This story is likely to be repeated many times as NZ begins to achieve its aquaculture potential.

A Time for Celebration

Whaia te pai tawhiti, whaia kia tata, whaia te pai tata, kia mau kia tina, whakatina.

We aim for the distant horizon, we persevere and go beyond the boundaries, reach and grasp what is before you, hold fast, hold firm and cherish.



This is a time for Opotiki to celebrate, as Robert Edwards, Chair of Whakatohea Trust Board says. "Our area and our people used to have a vibrant economy, based on our capability to farm, and to trade with others. We dearly wish to restore that tradition and to regenerate a viable economy for Opotiki. The people of Whakatohea have been determined to re-create hope and jobs. We have not yet settled with the Crown, but we have invested a decade of effort and resources into this aquaculture potential."

Vaughan Payne, ODC Chief Executive concurs. "The Opotiki community, along with Council and Whakatohea, have worked hard to get to this point. Thankyou! We are delighted to now have the support of a regional aquaculture strategy and wider Bay of Plenty networks. We are also pleased at the growing awareness across Government of the potential of aquaculture for "NZ Inc".

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