



MSC Fisheries Certification Programme

Fishery Surveillance Report

MSC Accredited Certification Body:	SGS Product & Process Certification PO Box 200, 3200 AE Spijkenisse, The Netherlands
Project Number:	M5004
Certificate Holder:	Hoki Fishery Management Company (HFMC) Ltd.
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Website:	http://www.hokinz.com
Country:	New Zealand
Fishery Name:	New Zealand Commercial Hoki Fishery
Fishing Area:	New Zealand Exclusive Economic Zone
Management Authority:	Ministry of Fisheries, Wellington
Main Species:	<i>Macruronus novaezelandiae</i>
Fishing Methods:	Mid water and bottom-trawl
Total Allowable Commercial Catch:	200,000 tonnes for 2001 fishing season
Surveillance Number:	One
Surveillance Period:	10 th September – 14 th October 2001
Certificate Date of Issue:	14th March 2001
Certificate Lifetime:	5 years
Fishery Management and Chain of Custody 'At Sea' Registration Number:	SGS-NL-MSC-FC-0004

Summary Surveillance Findings

1. Substantive actions have been taken by the HFMC to address CARs and recommendations in the Main Assessment Report.
2. Some additional work is required to complete the close-out on the CARs, and additional time has been allocated for this given the developing nature of the MSC process in New Zealand.
3. Findings in relation to the Main Assessment CARs:
 - **CAR 001:** Spatial structure in the fishery: adequately addressed — **closed.**
 - **CAR 002:** Eastern stock should remain above B_{MSY} : adequately addressed — **closed.**
 - **CAR 003:** Effective harvest strategy to retain breeding population: adequately addressed — **closed.**
 - **CAR 004:** Knowledge of the ecosystems: not adequately addressed — **becomes a condition for maintaining certification with an additional close-out period of three months.**
 - **CAR 005:** Ecological Risk Assessment: not adequately addressed — **becomes a condition for maintaining certification with an additional close-out period of three months.**
 - **CAR 006:** Ecological impacts are acceptable: not adequately addressed — **becomes a condition for maintaining certification with an additional close-out period of three months.**
 - **CAR 007:** Impacts on icon species: not adequately addressed — **becomes a condition for maintaining certification with an additional close-out period of three months.**
 - **CAR 008:** Fishery plan of management: not adequately addressed — **becomes a condition for maintaining certification with an additional close-out period of three months.**
 - **CAR 009:** Implementation of the management system: not adequately addressed — **becomes a condition for maintaining certification with an additional close-out period of three months.**
 - **CAR 010:** compliance and enforcement procedures: not adequately addressed — **becomes a condition for maintaining certification with an additional close-out period of three months.**
4. Requirements for on-going surveillance:
 - The HFMC is to produce and disseminate publicly an updated Corrective Action Plan (CAP) within 3 months to acknowledge and incorporate the surveillance audit results contained in this report and in the stakeholder input.
 - The HFMC is expected to submit additional objective evidence to SGS on progress with the planning of the CARs (included in the CAP) for verification purposes within 3 months from the date this surveillance report is issued. Progress should fully meet the requirements described in this report in relation to the plans submitted by the HFMC to address the CARs. If the plans are satisfactory, the conditions will stay open and monitored for the given timeframe in the CAP. If the plans are not adequately addressing the raised issues in the CARs, the HFMC will risk withdrawal of the certificate.

Surveillance background

1. The Main Assessment of the Hoki fishery (September 2000) resulted in 10 CARs being raised

together with a number of recommendations.

2. In response to the Main Assessment findings, the HFMC has prepared and begun the implementation of a Corrective Action Plan that details the way in which the HFMC is intending to respond to the issues and CARs raised in the Main Assessment.
3. The Corrective Action Plan (CAP) was produced and discussed at meeting with interested stakeholders on 29 August 2001, and provided to the Assessment Team on 7 September 2001.
4. As part of the CAP, HFMC has worked on management and operational changes following MSC certification. These include the reduction of the catch of juvenile fish, the redevelopment of the marine mammal code of practice, the employment of additional expertise to work on MSC related HFMC projects and the establishment of an internal management committee.
5. Consistent with the MSC methodology, issues raised by stakeholders were verified and discussed in meetings, although not all stakeholders could be consulted in detail because of unavailability. In particular a meeting to discuss objective evidence on issues raised by the Royal Forest and Bird Protection Society (supported by the Environment and Conservation Organisation) through the formal Complaint lodged over the Certification, could not be established.

Surveillance purpose

The purpose of the current fishery surveillance audit undertaken was to assess the adequacy and appropriateness of the response by the certificate holder (HFMC) to the CARs raised in the Main Assessment. The appropriateness and adequacy of responses are measured by the Assessment Team through considering the arguments and objective evidence presented by the certificate holder and the stakeholders in comparison to expectations and practice for well-managed and sustainable fisheries consistent with the MSC Principles and Criteria. Decisions in this surveillance are based on arguments substantiated with relevant objective evidence presented to the Assessment Team for consideration, and on the expert judgement of the members of the Assessment Team.

Surveillance scope

The scope of the Hoki fishery surveillance audit reported here covered:

1. MSC certification process conducted so far with suggestions for improvement from the certified fishery and the involved stakeholders;
2. Corrective Action Plan developed by the HFMC in addressing the corrective actions raised during the Main Assessment, which specifically includes communication with and involvement of stakeholders (incl. the Ministry of Fisheries) by the HFMC in the MSC certification process;
3. Issues referenced to in the RFBPS complaint to be substantiated with objective evidence presented to the assessment team for verification.
4. Other issues brought up by the HFMC or stakeholders involved in the MSC certification process.



Surveillance background

The role of the certifier's Assessment Team, is to assess on-going performance of the certified fishery managed by the certificate holder i.e. the HFMC. The surveillance assessment is done through interviews to audit compliance of overall management policies/procedures and day-to-day operations with the MSC Standards. Follow-up of previously found non-conformancies is to be assessed against the communication of the HFMC with the stakeholders in the Hoki fishery. Therefore, the certifiers' assessment team may consult with a selection of stakeholders to seek their input on the way the HFMC is communicating and involving them in their management. The Assessment Team is responsible for determining whether there is non-compliance with the MSC Standard, and subsequent satisfactory follow-up, of the certified fishery operations with the MSC Principles & Criteria for Well-Managed Fisheries. However, a surveillance audit can only sample parts of the fishery operations and thus leaves the responsibility for full compliance with the certificate holder.

The role of the Certificate Holder representing the Certified Fishery, in this case the HFMC, is to manage its own and associated member companies in compliance with the MSC P&C, and to influence stakeholders and the Ministry for Fisheries to ensure the whole fishery achieves and continues to comply with the MSC Principles and Criteria. This implies that the HFMC takes responsibility for developing a comprehensive fisheries management plan which covers the MSC P&C. Internal and external communication about involvement of stakeholders to develop, adopt and effective implementation of the plan is a MSC requirement and of crucial importance in reaching ownership of the plan.

The role of the stakeholder is to constructively engage with the HFMC in trying to achieve continuous improvement of the fisheries performance in line with the MSC Principles & Criteria. New information available and relevant for consideration and potential inclusion into the fishery management should be shared and discussed with the HFMC. The responsibility of the stakeholder being active in the MSC certification process, is to communicate in a constructive way with the HFMC so as to enable them to consider the stakeholder input in an appropriate way. All such input and communications should also be maintained as part of the public record, unless they are of a confidential business nature, so that surveillance audits may be conducted efficiently and effectively in determining how the certificate holder responds to stakeholder issues.

Surveillance Findings

1. Feedback from stakeholders involved in the Main Assessment

Valuable input was obtained by the Assessment Team on the perception of the Main Assessment by the fishery itself and the consulted stakeholders. Issues brought up during the current surveillance audit were:

1. lack of information and/or understanding on the contents of the MSC certification process incl. the opportunities offered by constructive engagement;
2. disagreement by the Royal Forest & Bird Protection Society (RFBPS) and the Environment and Conservation Organisations (ECO) with the MSC certification decision by SGS;
3. disagreement by the Ministry of Fisheries (MFish) with the subject during the MSC NZ Hoki fishery main assessment.

Point a.

The Assessment Team arranged meetings during this Surveillance Audit with all stakeholders contacted during the Main Assessment to explain and discuss the Surveillance Audit process. All stakeholders were consulted again and most were willing to discuss the certification with the assessment team except for the RFBPS and Greenpeace. The latter organisation informed the assessment team that they were unpleasantly surprised to be mentioned in the Main Assessment report as being consulted. The Assessment Team informed Greenpeace that their New Zealand CEO has been approached during the Main Assessment though no response was received after various attempts to establish contact. It was indicated by Greenpeace that they no longer want to be involved in the certification process which is noted and acknowledged by SGS.

SGS Netherlands learnt from the Main Assessment project that involving a local SGS New Zealand auditor is crucial for follow-up and communication purposes. Thus Mr. Mike van Uden, Quality and Environmental Management Systems Assessor, joined the assessment team to be trained as future MSC lead auditor. However, the role of SGS New Zealand is still limited to project support until formal qualification. SGS The Netherlands will remain acting as the primary liaison for all Hoki Certification matters.

It has also become clear that besides auditing the fishery, SGS is required and will try to inform stakeholders as much as possible about the nature of the certification process. Since the Hoki fishery was the fourth fishery evaluated against the MSC Principles & Criteria, it must be regarded as a project in which appropriate working methods between the fishery, its associated stakeholders and the certifier are continuously under development. Therefore, SGS stays open for any suggestions in improving the process.

Point b.

After MSC certification was granted to the New Zealand Hoki fishery, the RFBPS (supported by ECO) has lodged a complaint with SGS outlining their disagreement with the certification decision. SGS has responded accordingly by saying that objective evidence referenced to by RFBPS in the complaint, should in fact have been presented during the Main Assessment to the team. If objective evidence (hard/electronic copies of documents to substantiate arguments) is not presented to the team, it cannot be used during the assessment and subsequent decision-making. It is thus the responsibility of the RFBPS to present this to the assessment team. Before, during and after the current surveillance visit, SGS has approached the RFBPS to set up a

meeting but these attempts remained unanswered during the surveillance period. The RFBPS indicated later their lack of availability to SGS for such a meeting. However, SGS notes that RFBPS is an organisation with nationwide membership and has local branches active in marine fishery issues that have also provided submissions to the MFish Sustainability Round, and have had representatives attend related Hoki fishery consultative meetings.

The assessment team met with a representative of ECO to discuss the issues surrounding the RFBPS complaint. No objective evidence was obtained for assessment purposes, however, the assessment team was informed that ECO no longer wants to support the MSC certification process for the Hoki fishery which is noted and acknowledged by SGS.

This leaves the Assessment Team to assess the issues raised in the RFBPS complaint against the currently available information, including that raised by other stakeholders.

Point c.

Ministry of Fisheries staff reiterated the concerns that the Main Assessment had confused the roles of the certification client, the object of the certification, and the Ministry's role as Manager of the Hoki fishery. The Ministry asserts that the certifier focused on the Hoki Company's role in managing the Hoki fishery when they should have focused on the institutions and processes by which the fishery is actually managed, mainly implemented by the Ministry of Fisheries. The Ministry further contends that the incorrect focus on the Hoki Company's management effectiveness has resulted in some inappropriate CARs raised. For example, the Ministry of Fisheries does not accept that there is insufficient recognition of the spatial structure of the fishery, or that the TAC setting process will result in a high probability of the eastern stock going below B_{MSY} . The Ministry agrees that, as in any fishery, there is room for improvement, but that the fishery compares very favourably with other fisheries in respect of these factors.

The Ministry of Fisheries notes that the 20% reduction in the Hoki TACC for the year starting 1 October 2001 is an integral part of the normal stock assessment and management process that is designed *inter alia* to maintain the stock(s) at or above B_{MSY} . This is objective evidence that the stock management system (including the Ministry's procedures, the HFMC procedures and stakeholder involvement) operate flexibly to assist to maintain the sustainability of the Hoki stock.

The SGS comments on these statements are that in the absence of a Fisheries Plan, covered under Section 11A of the Fisheries Act 1996, the substantial responsibility for the management of the Hoki fishery currently remains with the Minister of Fisheries, acting on the advice from the Ministry of Fisheries. The management process requires extensive consultation on proposals for any change to the management of the hoki fishery. This consultation includes:

- the annual TAC/TACC setting process
- promulgation of regulation relating to area restrictions, vessel size, fishing gear and reporting requirements.
- deciding on the nature and extent of research, compliance and other services related to the hoki fishery.

For a Fisheries Plan approved under Section 11A of the Fisheries Act 1996, the participants in the hoki fishery must:

- Firstly develop the Plan to meet the provisions of Section 11A of the Fisheries Act 1996
- Secondly, have the plan approved by the Minister of Fisheries

Having completed these steps, the management committee/group established under the

Fisheries Plan is then responsible for the management of the Hoki fishery. They will be audited by the Minister/Ministry of Fisheries and should they meet the management responsibilities approved under the Fisheries Plan, then the role of the Minister/Ministry of Fisheries will remain that of an auditing authority.

Should they fail to meet the requirements of the Fisheries Plan, then the Minister/Ministry of Fisheries will resume the role of the primary management agency.

The object of the MSC certification is the Hoki fishery and its complete management system. This includes the policies, strategies and activities of the Minister, the Ministry, other government agencies such as DOC, the HFMC and any engaged stakeholders. The MSC process operates by certifying the fishery body that has volunteered for assessment, in this case the HFMC. Any conditions and recommendations of the Main Assessment and ongoing surveillances apply to the certificate holder (HFMC) even though such conditions may involve, or have implications for, others with a role in managing the fishery, including the Ministry. Within the context of the current MSC certification project, SGS holds the HFMC responsible for implementing the conditions, as the certificate holder and a body with an important operational management role in the fishery; this does not assume the lack of a management roles for others in managing the Hoki fishery, but may require the HFMC to influence stakeholders or the Ministry to ensure specific conditions set for continuing certification are achieved. ' In the absence of a Fisheries Management Plan under Section 11A, the HFMC is to formulate and promote the adoption of a management plan for the Hoki fishery in line with the MFish and MSC requirements and put it into practice accordingly.

2. Assessment of Corrective Action Requests

Corrective Action Request No. 001

Main Assessment Findings

Details of non-compliance

Indicator 1D: There is a well-defined and effective strategy to manage the target stocks.

The intent of this performance indicator is to evaluate the extent to which there is a well-defined and effective strategy in place that will maintain the target species at productive levels, or the recover the target species to productive levels if already below such levels.

Objective Evidence

- *Insufficient recognition of spatial structure of the fishery as current strategy does not sufficiently address the requirements for spatially explicit management.*
- *The relationship between assessment advice and subsequent management decisions and implementation is not well-defined.*

Surveillance Findings

Response of HFMC in Corrective Action Plan (CAP)

- The HFMC has taken the initiative to voluntarily redistribute fishing effort according to “stock status” by establishing the following practices to reduce fishing mortality on the Eastern stock:
 - Voluntary diversion of effort from the Chatham Rise (eastern sub-stock) to the Southern Plateau (western sub-stock). This reduction has been underway since 1998.
 - Reduction in catch of small Hoki from the common nursery ground for both stocks. This was implemented through a Code of Practice from 1 October 2000. This has achieved a 70% reduction in catch of small Hoki (smaller than 60cm) in the nine months from 1 October 2000, compared to the same period a year earlier. This code includes a monitoring and reporting regime, and industry observer coverage in key areas.
 - A formal agreement between members of HFMC is intended for implementation by 1 October 2001. This will provide for:
 - a. Allocation of sub-area quotas;
 - b. Nominating areas where traded quota can be caught;
 - c. Monitoring trades and catches by sub-area.

Target catch levels will be established through the existing stock assessment/management advice process, and varied annually. The MFish advice to the Minister for the 2001-2002 fishing year (Ministry of Fisheries, Final Advice Paper on Sustainability Measures, 2001) is for a TACC of 200,000 tonnes, of which approximately 70,000 tonnes would come from the eastern fishing grounds. The industry programme above will be designed, implemented, monitored and adapted to achieve this.

- The relationship between assessment advice and subsequent management decisions and implementation is outlined in Section 13 of the Fisheries Act.

Expected outcomes

Improvement in status of both sub-stocks through:

- Catch will be distributed according to the relevant status of the eastern and western sub-stocks, based on advice from the stock assessment process.
- Improvement in yield per recruit by reducing fishing effort on the juvenile component of the population.

Time frame

- Implement sub-stock monitoring regime – 1 October 2001
- Stock assessment – January to April each year
- Initial Position Paper – June each year
- Minister’s TAC and TACC decision – September each year
- Implementation of changes to controls – 1 October each year

Stakeholder comments

- Broad support by interviewed stakeholders including the Ministry of Fisheries.
- The formal agreement between the HFMC and its members should also include mandatory reporting.
- Embed the stock assessment approach within a precautionary ecosystem-based management framework. This means that with adaptive management the industry will be encouraged to collect high quality information on the stock, this may then be rewarded with higher TACCs if the stock status so permits.

Assessment Team Conclusion

- Spatial structure in management is now recognised in the mixture of mandatory and voluntary arrangements being implemented by HFMC.
- The relationship between MFish assessment advice and subsequent HFMC management decisions and implementation is properly reflected in the agreement signed between the HFMC and the Hoki Quota owners, as the latter are required to report catches taken from the Eastern and Western Hoki stock and this is subject to a compliance monitoring program.
- The process for transferring assessment advice into management actions at the level of vessel operations is an *ad hoc* process, although effective for this current issue, is in need of further attention. In particular, the process for using the stock assessment and its outcomes as a basis for HFMC contracts for specific activities is not clear and explicit. This matter is deferred to CAR 9 for specific attention.
- Given the substantial progress and achievements at implementing a more spatially structured approach in the fishery, and the evidence of intended compliance of fishers with the spatial application of TAC, this CAR is **closed**. Performance against these matters will be subject to ongoing surveillance.

Corrective Action Request No. 002**Main Assessment Findings****Details of non-compliance**

Indicator 1E: Stocks are not depleted and harvest rates are sustainable.

The intent of this performance indicator is to evaluate whether the target species is currently overfished, and whether current harvest levels are appropriate.

Objective Evidence

- *There is a high probability that the Eastern hoki stock will not remain above the limit reference point (B_{MSY})*

- *Insufficient recognition of spatial structure of the fishery as current strategy does not sufficiently address the requirements for spatially explicit management*

Surveillance Findings

Reponse of HFMC in CAP

Status of the Eastern Hoki stock

- Ensure that the TACC is set at a level that maintains the stock at or above a level that can produce the maximum sustainable yield or moves it towards that position.
- Implement CAP on proportion of the catch that can be taken from the eastern sub-stock.

Spatial structure of the fishery

- Refer to response to CAR 001.

Expected outcomes

- The TACC will be varied annually to ensure the ongoing sustainability of the eastern and western sub-stocks.
- Fishing effort will be distributed according to the relevant status of the eastern and western sub-stocks.
- Improvement in yield per recruit will be achieved by reducing fishing effort on the juvenile component of the population.
- The combination of reducing the TACC to 200,000 tonnes for the 2001/2002 fishing year, plus the industry initiative to apportion catch proportional to the status of each sub-stock will result in a TACC level which ensures the Minister meets his obligations under Section 13 of the Act.
- An industry agreement to apportion the TACC between the two stocks will result in this management control being implemented a year earlier than if implemented by the Minister under S25 of the Fisheries Act 1996.

Timeframe

Refer to response to CAR 001.

Stakeholder comments

- The Hoki Company has generally cooperated well with MFish in developing management options in response to the stock modelling work undertaken by MFish and by the Hoki Company. Specifically, the Hoki Company supported the proposal to reduce the Hoki TACC from 250,000 tonnes to 200,000 tonnes for the fishing year starting 1 October 2001.
- There has been broad support from stakeholders for TACC reduction and E/W split of fishing grounds, however further examination of catch levels, their spatial allocation etc needs to be considered, described and justified ecologically through the Ecological Risk Assessment

(ERA).

- The appropriateness and ecological relevance of B_{MSY} is questioned. The ERA should explore the appropriateness of B_{MSY} as a management objective for Hoki.
- One of the expected outcomes from an ERA should be a process to gain an understanding of the ecological characteristics of Hoki and evaluate the impacts of various harvest strategies that will be designed and implemented; in the mean time precautionary harvest strategies should be adopted.

Assessment Team Conclusions

- There has been an appropriate process applied in adjusting the TACC; the advised TACC reduction by 20% for 2001/02 fishing year has been implemented in conjunction with the East / West split on fishing grounds by 35% / 65% distribution of the TACC. This effectively recognises the need for more spatially explicit management in the fishery, implemented as a mixture of mandatory and voluntary control measures.
- The effectiveness of these management actions depend on the fishery implementing the voluntarily agreed procedures, and demonstrating their success is dependent on the effectiveness of the industry-based monitoring and compliance program. HFMC has provided evidence of industry commitment to implement these stock management agreements.
- The TACC for the eastern stock is expected to remain above the B_{MSY} as a result of these arrangements.
- This CAR is therefore **closed**. Performance against these matters will be subject to ongoing surveillance.

Corrective Action Request No. 003

Main Assessment Findings

Details of non-compliance

Indicator 1H: There is a well-defined and effective strategy to manage the target stocks.

The intent of this performance indicator is to evaluate the extent to which there is a well-defined and effective strategy in place to ensure the effects of the fishery on the genetic structure, age and sex composition of the fish population do not impair reproductive capacity.

Objective Evidence

- *Management tools dealing with the Eastern hoki stock are not clearly specified and appropriate to the management of the stocks.*

Surveillance Findings

Response of HFMC in CAP

The following action plan will be implemented by the HFMC:

- In conjunction with the Government, define target tonnages for each sub-stock, based on stock assessment results.
- Implement an industry agreement to subdivide the TACC between mutually agreed areas proportional to quota holding, effective 1 October 2001.
- Implement a monthly monitoring and reporting regime.
- Set and monitor acceptable performance and compliance parameters.

Note that adopting an industry driven initiative (agreed in conjunction with MFish) as above allows management control to achieve these outcomes at least 1 year ahead of what could be achieved if it was necessary to use statutory measures in S25 of the Act.

If the HFMC is not able to enforce the agreement, a contingency may be invoked that would involve the Minister enforcing legal measures such as prescribing maximum catches from various geographical areas or redefining the quota management areas for hoki.

Expected outcomes

- An industry agreed management regime that achieves target catch levels.
- Catches within agreed targets.

Timeframe

Refer to CAR 001.

Stakeholder comments

- Broad support by interviewed stakeholders including the Ministry of Fisheries for the E/W TACC split on fishing grounds.
- In this year's sustainability round MFish proposed that catches of hoki should be split between the eastern and western stocks. The HFMC responded with a modified proposal for a catch split. MFish supports the catch split proposal that has been adopted. As discussed with the Assessment Team, the nature of the two stock issue means that it is preferable for quota owners to undertake this split (through the HFMC) rather than MFish implement the split by regulation. The catch splitting plan requires monthly reporting on sub-area catches and MFish will closely monitor this reporting based on its own information systems and observer programme.
- One of the expected outcomes should be the development and use of an ecologically based set of decision rules and support criteria.

Assessment Team Conclusion

- TACC is implemented in a spatially explicit way through the stock assessment process and the voluntary arrangements for E/W TACC allocation and monitoring through contracts established between Hoki Quota owners and the HFMC in relation to the E/W split.
- The CAP has not specifically defined the process for monitoring and verification of compliance to the E/W split. However, a service contract with a third-party has been signed for monitoring and reporting to the HFMC on the voluntary split.
- This is evidence of an improving strategy to manage the target stocks, and this CAR is **closed**. Performance against these matters will be the subject of ongoing surveillance audits.

Corrective Action Request No. 004**Main Assessment Findings****Details of non-compliance**

Indicator 2A: There is adequate knowledge of the ecosystem and the value where the fishery operates.

The intent of this performance indicators is to enable an evaluation of the extent to which there is sufficient knowledge of the ecosystem and of the natural functional relationships between species so that the fisheries management system can determine the nature of the effects of fishing on the ecosystem. This includes the extent to which there is a sufficient and appropriate process that operates to gather such knowledge.

Objective Evidence

- *Information is not sufficient on the distribution of habitats, major assemblage types and the natural functions and trophic relationships among species in the midwater and benthic ecosystems where the fishery operates.*

Surveillance Findings**Response of HFMC in CAP****Existing Programmes**

The Ministry of Fisheries and Department of Conservation are currently carrying out an ongoing research programme to assess and mitigate the environmental impact of fishing. Most of this work is funded by industry through the Fisheries Services Levy and the Conservation Services Levy. Projects to be tendered in 2001 include:

ENV 1999/06: Spatial distribution of marine biotypes and the *in situ* conservation of biodiversity

ENV 2000/01: Estimation of seabird and marine mammal capture in New Zealand fisheries

ENV 2000/02: Exploration of factors affecting seabird and marine mammal capture incidental capture in New Zealand fisheries

ENV 2000/03: Estimation of non-target fish catch and both target and non-target discards in New Zealand fisheries

ENV 2000/04: Identification of areas of habitat of particular significance for fisheries management

ENV 2000/05: Spatial extent, nature and impact of mobile bottom fishing methods in New Zealand

ENV 2000/06: A review of selected fishing techniques, practices and their application in New Zealand

ENV 2000/07: The effects of fishing on the benthic community structure between North Cape and Reinga

ENV 2000/08: The impacts of marine farms on wild fish

ENV 2000/09: A review of sources of mortality for New Zealand breeding seabirds caught incidentally in fisheries

ENV 2001/01: Estimation of seabird incidental captures in New Zealand fisheries

ENV 2001/02: Estimation of *Phocarctos hookeri* (New Zealand or Hooker's sea lion) incidental captures in New Zealand fisheries

ENV 2001/03: Estimation of *Arctocephalus forsteri* (New Zealand fur seal) incidental captures in New Zealand fisheries

ENV 2001/04: Estimation of non-target fish catch and both target and non-target fish discards for the squid, jack mackerel and scampi trawl fisheries

ENV 2001/05: Age, growth and distribution of deepwater sharks

ENV 2001/08: The effects of mobile bottom fishing gear on benthic-pelagic coupling

ENV 2001/12: Spatial extent, nature, and impact of mobile bottom fishing methods in the New Zealand EEZ

ENV 2001/14: Investigation of areas of habitat of particular significance for fisheries management within the New Zealand EEZ

ENV 2001/15: The effects of trawling on seamounts

CSL OBS 2001/3: Marine mammal carcass recovery project

CSL OBS 2001/4: Seabird carcass recovery project

CSL MIT 2000/1: Mitigation devices to minimise seabird bycatch

CSL MIT 2001/2: Mitigation devices to minimise marine mammal bycatch

CSL BRD 2001/1: Monitoring of protected seabird bycatch

CSL MAM 2001/1: Monitoring of marine mammal bycatch

Note that aspects of the CAP relating to the ERA are considered under CAR 005.

Stakeholder comments

- A large number of Aquatic Environment research projects are listed while only a few of these are relevant to the Hoki Fishery.
- Some concern was expressed that, during the various research planning consultation phases, the industry has opposed various aquatic environment research projects and yet is now using the existence of these projects to justify certification. However, it was noted that this behaviour might partly be a result of the way in which the working group process is structured and the nature of the cost recovery system.
- The CAP meeting on August 29th in Wellington recommended that the list of research projects be converted into a table including information on the researchers, whether the work has been commissioned, the objectives, timelines, relevance to the CAR's and CAP's of Hoki etc. In addition, the CAP needs to include a statement including which projects the HFMC is actively involved and in what way, in order to be able to meaningfully implement the CAR's and incorporating the results into operational management through particular measures. It is also relevant to list the projects which are not funded but relevant for the HFMC and indicate how these are being pursued through other means.

Assessment Team Conclusion

- Most of the projects listed do not address directly the details of the Main Assessment non-compliance. There are some indirect aspects that would address the non-compliance, but evidence of these is not presented. Nonetheless, it is unlikely that such evidence would meet a standard of adequate and appropriate response to this CAR.
- No process is evident for this being achieved, or intended, by the certificate holder. There is no evidence of bi- or multilateral negotiations with research providers or existing Working Group processes to influence the nature of research, data gathering or prioritisation that would result in substantial plans to fulfil the weaknesses identified in the non-compliance.
- Additional objective evidence in support of this CAR is required.
- The CAR remains in non-compliance, and this CAR is now raised to **Condition for maintaining certification**.
- The certificate holder is allocated a period of 3 months from the date of this Surveillance Report to develop and plan their approach to this CAR, commence implementation, and assemble objective evidence before the next surveillance audit is due.

Corrective Action Request No. 005

Main Assessment Findings

Details of non-compliance

Indicator 2C: An ecological risk assessment has been conducted.

The intent of this performance indicator is to evaluate the extent to which there are robust assessments or prediction of impacts of the fishery, and if they are based on reliable knowledge

and methods for estimating risks, inferring or detecting ecological changes.

Objective Evidence

An ecological risk assessment has not been conducted.

Surveillance Findings

Response of HFMC in CAP

In 2001/ 2002 MFish will begin development of an Environmental Management Strategy. In addition to this SeaFIC has already commenced the development of an Environmental Strategy for the Seafood sector. HFMC will actively participate in the development and implementation of both of these Strategies.

In addition the HFMC proposes to undertake an Ecological Risk Assessment in conjunction with MFish, DoC and other interested stakeholders. This will guide further work on ecological impacts of the fishery as provided for in sections 8 & 9 of the fisheries Act 1996.

The intention is to identify material issues and respond to these where sufficient information is available and to conduct further studies where the information is insufficient. The ERA will be designed to cost-effectively disclose and quantify (where necessary) risks that require action to mitigate or remedy their effects in terms of sections 8 and 9 of the Act.

Note that some elements of this process (e.g. a risk assessment on seabirds) are already underway.

The proposed strategy and approach to be followed is as follows:

Level A

- Conduct a qualitative risk assessment to scope the ecological impact of the hoki fishery
- Prioritise identified risks under agreed criteria
- Prepare risk management responses for those issues that can be dealt with at this level without further investigation or research
- Promote issues that require further investigation to Level B

Level B

- Conduct a top level quantitative risk assessment to determine existence or extent of risks
- Prioritise risks
- Prepare risk management responses for those issues that can be dealt with at this level i.e. semi-quantitatively (e.g. literature/information review, etc.)
- Promote issues that require further investigation to Level C

Level C

- Conduct detailed qualitative and/or quantitative studies to determine existence or extent of risks
- Prioritise risks
- Prepare risk management responses

This process will be implemented by an agreed working group comprised of officials and stakeholders (possibly the MFish Aquatic Environment Working Group) as a consultative forum.

Actions arising from the ERA will generally be carried out by industry- funded projects, again under the oversight of agreed working parties.

This will be an ongoing positive feedback process that will enable the systematic improvement of the information and understanding of the ecological and environmental aspects in areas where the fishery operates.

Expected outcomes

A structured and pragmatic approach to all risks by prioritising them into:

- Non-material issues
- Issues that can be resolved without further study
- Issues that require further study

This will result in a list of well-defined key issues that can be addressed in a formal manner.

Timeframe

1. Contract first stage of ERA - by 30 October 2001.
2. First stage ERA completed - 15 February 2001.
3. Further stages and/or subsequent projects to be programmed based on recommendations of first stage. This will be completed over the 5-year time frame of the current certification.
4. Progress evaluation during annual audits.

Stakeholder comments

- Broad support is expressed for the concept of an ERA however the description of the 'Ecological Risk Assessment' is not sufficiently detailed and the exact nature, conceptual basis and expertise to be used need further definition.
- Stakeholder concern about committing resources to the ERA process, e.g. it was noted that, had the Hoki Company discussed this with MFish earlier in the MFish business planning cycle, MFish could have assisted by integrating this proposal into its business plan. Significant changes would now be needed in the MFish business plan to accommodate the proposal, and this would now need to occur in the next planning cycle. However, there are still some options to explore.
- Results from the risk assessment should be effectively incorporated into a final iteration of the

action plan, to be produced in a timely manner following the risk assessment. This includes an assessment of the knowledge available, the knowledge required, and the risks of the fishery associated with the population ecology of Hoki, ecological risks of the stock assessment parameters and reference points, interaction of the fishery with non-target fish species (both QMS and non-QMS) and interaction of the fishery with non-target, non-fish species including seabirds, seals and benthic communities.

- MFish agrees with the Hoki Company that the Aquatic Environment Working Group (AEWG) is probably the logical reference group for the proposed environmental work. However, currently this role is not in the Group's terms of reference and the group is not resourced to undertake this work and its composition may not be as comprehensive as would be needed.
- It was also noted by stakeholders that the AEWG is a weak tool for generating research priorities due to weak leadership by MFish, absence of an overall management plan and lack of core membership.

Assessment Team Conclusion

- ERA is a critical first step in gathering adequate knowledge of the ecosystem and the values and risks where the fishery operates.
- The ERA is a critical element in addressing several of the CARs, and it must have comprehensive stakeholder involvement for success. There is no evidence that the broad range of key stakeholders including MFish and DOC are involved and have committed themselves to an active participation.
- The contract detail for the design and conduct of the ERA needs considerable further definition.
- Additional objective evidence needs to be provided.
- The CAR remains in non-compliance, and this CAR is now raised to **Condition for maintaining certification**.
- The certificate holder is allocated a period of 3 months from the date of this Surveillance Report to develop and plan their detailed approach to this CAR, commence implementation, and assemble objective evidence before the next surveillance audit is due.

Corrective Action Request No. 006

Main Assessment Findings

Details of non-compliance

Indicator 2E: The fishery does not have unacceptable impacts on the ecosystem structure or function, on habitats, or on the populations of dependent or otherwise associated species.

The intent of this criterion is to evaluate the extent to which the fishery has unacceptable impacts on important aspects of the ecosystems, habitats or associated species where it operates.

Objective Evidence

- *The impact of the hoki fishery on non-target quota species is not well defined.*
- *Research programmes are mainly limited to aspects of setting the TACC for hoki.*
- *The information availability is not adequate to comply with the requirements for full implementation of the Fisheries Act.*

Surveillance Findings**Response of HFMC in CAP****Impact of fishery on non-target quota species**

The catch of non-target quota species is accurately measured.

Where the TACC for quota stocks is over-caught, the impact can be reviewed during the annual TACC review, and appropriate adjustments made to the TACC or to the deemed value (a penalty charge intended to act as a disincentive to over-catch).

Two further initiatives are underway which will reduce over-catch of bycatch species in the hoki fishery:

- New deemed value mechanisms in the Fisheries Act 1996 will come into effect on 1 October 2001. These will provide for higher punitive deemed values where catch has not been covered by ACE at the end of the fishing year, and provision for fishers to be excluded from the fishery (or access allowed subject to specific conditions placed by the Chief Executive) if levels of overcatch specified by the Minister are exceeded.
- HFMC commissioned in 2001 a study of catch patterns in the West Coast South Island hoki fishery. This demonstrated fishery patterns contributing to hake and ling over-catch. This information has been incorporated in operational planning.

Research programmes

Contrary to the statement in the CAR, a wide range of research programmes have been initiated on effects of fishing on the environment and associated species. These programmes are listed under CAR 4.

Compliance with requirements for full implementation of the Act

The Ministry of Fisheries administers the Fisheries Act. Their research planning process identifies information needs to meet the requirements of the Act, and contracts work to provide this information.

Expected outcomes

- Improved information on extent and impact of interactions with non-target species, and risks

to sustainability of these species.

- Over-catch of other quota by-catch species reduced by 50% in 2001-02.

Timeframe

- Information on extent of interactions - refer to CAR 004.
- Reductions in over-catch – on going.

Stakeholder comments

- A list of research projects to be tendered is given but it remains unclear which ones have been started, which ones have specific relevance to the Hoki fishery, what are the ecological relationships.

Assessment Team Conclusion

- First dot-point of non-compliance: The listed research programmes do not deal with the ecological impact on non-target quota species, they deal mainly with the TACC of the non-target quota stocks. The establishment and compliance with over-catch limits are important aspects of the Hoki fishery, but the unknown basis for setting of bycatch limits is an inadequate basis for determining an acceptable impact of the Hoki fishery on other quota species.
- Second dot-point: The CAP does not include an approach to developing research programmes to identify to which extent the fishery has unacceptable impacts. There are a wide range of research programmes given which cover several fisheries but not specifically related to the Hoki fishery. The linkages between the various studies is not well defined and the studies do not address specific relevant objectives for the Hoki fishery, although some CSL projects are have focused and specific relevance.
- Third dot-point: The CAP does not contain an approach to engage with MFish to develop the information requirements needed to meet the full implementation of the Fisheries Act which can be audited in an objective way.
- The details of the non-compliance are not addressed, and there is no clear plan or procedure provided by the HFMC in support of an approach to this CAR that is likely to result in the details of the non-compliance being addressed in any identified timeframe.
- The CAR remains in non-compliance, and this CAR is now raised to **Condition for maintaining certification**.
- The certificate holder is allocated a period of 3 months from the date of this Surveillance Report to develop and plan their detailed approach to this CAR, commence implementation, and assemble objective evidence before the next surveillance audit is due.

Corrective Action Request No. 007

Main Assessment Findings

Details of non-compliance

Indicator 2H: An ecological risk assessment has been conducted to determine the potential impacts of the fishery on the protected, endangered, threatened and icon species.

The intent of this performance indicator is to evaluate the extent to which there are robust assessments or prediction of impacts of the fishery, and if they are based on reliable knowledge methods for estimating risks, inferring or detecting ecological changes.

Objective Evidence

- *The risks to seabirds have been assessed but the assessment of the risks to seals is insufficient.*

Surveillance Findings

Response of HFMC in CAP

- Refer to responses shown to CAR 004.
- Seabird and seal action plans below will form part of the ERA. It should also be noted that there are natural fluctuations in both the population levels of seals and seabirds and their interactions with the fishing fleet that do not arise from any factors associated with the fishing sector. These fluctuations arise more directly from climatic cycles such as la Niña and el Niño.

Seabirds

HFMC will implement its contribution to the programmes set out in the National Plan of Action on Seabirds. In particular:

1. HFMC will commission NIWA to:

- Review the impact of the hoki fishery on seabirds and the risk to the conservation status of icon species, and
- Characterise the interactions between hoki fishing vessels and seabirds to enable design of mitigation measures for at-risk species.

2. HFMC, in conjunction with DOC, will initiate a programme to assess and implement mitigation measures as follows:

- Conduct preliminary trials off the West Coast of the South Island (WCSI) during September 2001 to test the Brady Bird Baffler and the Guild Device.
- Conduct further trials involving 3 to 4 vessels on the Chatham Rise and Snares Shelf with the same devices during October 2001, in conjunction with DOC.
- Conduct further trials in the Auckland Islands Squid Fishery in February 2002 if further data

is required.

HFMC will implement agreed corrective actions required to address the findings of these studies by March 2002.

This work will be carried out in consultation with the DOC Seabird Working Group, to ensure strong stakeholder impact.

Seals

1. HFMC will implement an updated "Code of Practice" (CoP) for seal mitigation in October 2001. The CoP is a series of fishing practices that are designed to reduce the risk to seals. A CoP has been in effect in this fishery since 1989, and is continually being refined to improve fishing practices and further reduce risks to seals. This CoP will be reviewed by the DoC Marine Mammal Working Group. Mfish observers will be requested to monitor and report on adherence to the Code.
2. HFMC will commission an impact assessment of the hoki fishery on seal populations, to be carried out by recognised marine mammal experts. The following goals have been established for this study:
 - Determine present population status and trends
 - Establish confidence levels for population estimates
 - Determine the nature, extent and confidence limits of interactions of seals with hoki vessels
 - Determine any impact of fishery related mortalities on the recovery of seal populations
 - Determine further research needs, if any.
 - Ensure that data is sufficient for decision making purposes
3. HFMC will undertake ongoing evaluation of the results of mitigation trials for seals in the Tasmanian hoki fishery and mitigation trials for sea lions in the New Zealand squid fishery.
4. With the completion of steps 1-3 above, a set of appropriate actions commensurate with the risk profile will be implemented
5. The above work will be carried out in consultation with the Marine Mammal Working Group, to ensure strong stakeholder input.

Expected outcomes

- Improved understanding and management of the risks to seabirds and seals in the areas where the fishery operates.
- Reduced incidental mortality of icon bird species and fur seals.

Timeframe

Seals

- Revised Marine Mammal Code of Practice implemented October 2001.
- Marine mammal risk assessment completed 1 April 2002.

Seabirds

- Seabird risk assessment completed 1 December 2001.
- Trials of seabird bycatch mitigation trials completed 1 March 2002.
- Timeframe for bycatch mitigation initiatives to be determined when above work is completed.

Stakeholder comments*General*

- The proposed timeframe for some of the work appears overly optimistic e.g. when it involves MFish processes or conducting the proposed trials.
- The MFish has a strict requirement for any industry-purchased research that is to be used in decisions related to TAC setting and sustainability measures—must be approved by the relevant MFish research planning group prior to work being undertaken.
- Seabird and seal risk assessments should form part of the ERA. The preliminary action plans presented in the CAP are supposed to be strengthened where necessary following the detailed risk analyses to be conducted under the ERA.

Seabirds

- The ecological risk assessment and practical operational mitigation approach is also critical for the survival of some of the seabird species. Australia and New Zealand can be proud of their international leadership in developing mitigation measures for seabirds and marine mammals and based on the outcomes of the August Seabird Working Group Meeting, the various gear types available to mitigate seabird mortality provide good scope for meaningful reductions. However the marine mammal activities in particular are not coherent and need to be greatly improved.

Seals

- Seal by-catch and mortality continues to be the major impediment to market acceptance of Hoki. The Corrective Action Plan's failure to include specific measures aimed at reducing seal by-catch makes it difficult to actively secure consumer acceptance in key markets. Although the opinions surrounding fur seals in NZ are highly variable, adversarial and historically laden, it is clear that no one involved with the fishery wants to catch seals or seabirds. However, there are no over-arching objectives to achieve this and HFMC must specify these in both the action plan and 'Code of Practice for Mitigating Seal and Sea Lion By-catch'.

Assessment Team Conclusion

- It was noted that there has been a change in the IUCN Red List status of 3 species of seabirds. The CAP sea bird plan is a major commitment by the HFMC to address these issues. The CAP however remains unclear about the details of actual stakeholder commitment, transparent reporting and peer review of the proposed actions.
- Its is acknowledged that the HFMC is actively participating in the seal excluder device

program operating off Tasmania. However, the CAP seal plan remains unclear about stakeholder commitment, transparent reporting and peer review.

- The CAR remains in non-compliance, and this CAR is now raised to **Condition for maintaining certification**.
- The certificate holder is allocated a period of 3 months from the date of this Surveillance Report to assemble objective evidence in relation to actual stakeholder roles and commitments and clearly defined, concrete HFMC actions before the next surveillance audit is due.

Corrective Action Request No. 008

Main Assessment

Details of non-compliance

Indicator 3C: The management system has a comprehensive scope of planning.

The intent of this performance indicator is to evaluate to the extent to which the management system has been developed on the basis of a comprehensive scope of planning.

Objective Evidence

- *Long-term planning is insufficient to integrate environmental impacts in relation to in/output control measures in the hoki fishery.*

Surveillance Findings

Response of HFMC in CAP

HFMC understands the importance of a comprehensive Fisheries Plan in improving long-term planning and in integrating environmental impacts into control measures for the fishery. HFMC will develop and implement a Fisheries Plan for the hoki fishery.

A brief will be drafted that will ensure the plan fits within the Ministry of Fisheries' framework and includes the various initiatives of HFMC, many of which have been detailed above.

The following framework will be established:

1. The Fisheries Plan drives the following key areas
 - Stock management
 - Ecological Risk Assessment (ERA)
 - Management
 - Implementation of the Fisheries Act 1996

- Long-term sustainable utilisation of the hoki resource
- 2. These key areas identify, through structured processes, research objectives and priorities.
- 3. The results from research are fed back into the Fisheries Plan.
- 4. The Fisheries Plan is then updated to reflect these developments.
- 5. The updated Fisheries Plan drives responses in the key areas.
- 6. The fisheries plan will be updated to reflect the Ministry's Environmental Management Strategy once this is approved.

The fisheries plan will be developed by an independent contractor in consultation with stakeholders. The latest peer-reviewed scientific information will be used in development of the plan.

The plan will be regularly updated to reflect advances in knowledge and management options.

The Fisheries Plan will form the "hub" of the process as shown in the following figure, and will be the tool that integrates all CAR's and CAP's.

Expected outcomes

- A positive feedback system that encapsulates the entire management and monitoring process of the hoki fishery.
- Structured integration of ecosystem considerations into management.
- Improved integration of statutory Government management and complementary industry self-management initiatives.

Timeframe

- Fisheries Plan commissioned: 15 September 2001.
- Draft plan completed and available for consultation: 1 July 2002.
- Plan submitted to Minister of Fisheries for approval: 1 September 2002.
- Plan effective 1 November 2002.

Stakeholder comments

- The HFMC needs to adopt a detailed strategic approach to developing and implementing the actions necessary to maintain certification, enable credible marketing of MSC certified product and maintain the credibility of HFMC, it's members and of the MSC scheme itself. It is clear that the 'Corrective Action Plans' document is a compilation of a number of separate and seemingly discrete action plans however each action needs a defined, meaningfully integrated objective and subsequent, detailed and integrated actions planned for the duration of the certification.
- HFMC should integrate the timing of other events and processes underway in NZ with the action plan. These include, but are not limited to, the Aquatic Environment Working Group, the Environmental Management Strategies of the Ministry of Fisheries and SeaFIC, and the DOC

protected species working groups. The timing needs to include monitoring, review and reporting points, particularly in the lead up to the annual surveillance audits when the HFMC could easily implement it's own stakeholder reviews to determine 'how public opinion is tracking'.

- It is recommended that coupled with the HFMC internal management committee and the recruitment of an appropriately qualified and resourced executive officer, some form of working group, i.e. 'MSC Implementation Group' be established to manage the MSC process for the hoki fishery in New Zealand. At a minimum this needs to include representatives from the Ministry of Fisheries, Department of Conservation and appropriate scientific input, e.g. NIWA. It is also recommended that the Group include environmental NGO stakeholders, however a nomination process would be needed to ensure fair representation. Additionally the Aquatic Environment Working Group is clearly pivotal and needs to be fully aware of the actions and requirements on the HFMC with respect to the MSC.

Assessment Team Conclusion

- There is no objective evidence of a contractual arrangement between HFMC and a sub-contractor to develop a fisheries plan as inferred in the CAP.
- There is no objective evidence of stakeholder engagement and continued involvement or what scientific basis would be used to design and develop the plan.
- There is no objective evidence of a detailed content of the plan.
- The CAR remains in non-compliance, and this CAR is now raised to **Condition for maintaining certification**.
- The certificate holder is allocated a period of 3 months from the date of this Surveillance Report to assemble objective evidence in relation to the details of a plan of management for the fishery, including evidence of stakeholder involvement and commitments, before the next surveillance audit is due.

Corrective Action Request No. 009

Main Assessment Findings

Details of non-compliance

Indicator 3D: The management system is implemented

The intent of this performance indicator is to evaluate to the extent to which the management system is being implemented by the fishery.

Objective Evidence

- *The effective implementation of a comprehensive management system is not sufficient.*

Surveillance Findings

Response of HFMC in CAP

1. The implementation of the Fisheries Act by the Government, which includes:

- Reporting. Accurate reporting of all catch is required by law. Reporting systems are supported by cross-checking systems and audit requirements to ensure the integrity of the reporting systems.
- Monitoring. Fishing activities pursuant to the Act are monitored by the compliance system to detect anomalies which require follow up.
- Compliance. The Ministry compliance system is designed with cross-checks, audits and observer coverage to ensure that the requirements of the Act are met. Heavy penalties are imposed for breaches.

2. The implementation of HFMC initiatives that complement the Act. These incorporate monitoring and reporting regimes to ensure their integrity. Further details are provided under CAR10.

Expected outcomes

Complete implementation of the comprehensive management system.

Timeframe

Ongoing

Stakeholder comments

- None.

Assessment Team Conclusion

- The implementation of HFMC policies and procedures that complement the Act depend on the development and implementation of a comprehensive Hoki fishery plan of management (as identified in CAR 008) including contractual arrangements between the HFMC and their members.
- After a comprehensive plan of management is developed the implementation will be the subject of this CAR.
- The CAR remains in non-compliance, and this CAR is now raised to **Condition for maintaining certification**.
- The certificate holder is allocated a period of 3 months from the date of this Surveillance Report to assemble objective evidence in relation to the details of the implementation of the fishery management system, before the next surveillance audit is due.

Corrective Action Request No. 010

Main Assessment Findings

Details of non-compliance:

Indicator 3E: The management system has compliance and enforcement procedures.

The intent of this performance indicator is to evaluate to the extent to which the management system has efficient and effective compliance and enforcement procedures in place.

Objective Evidence:

There is insufficient evidence of enforcement procedures and practices.

Surveillance Findings

Response of HFMC in CAP

Contractual arrangements

HFMC will develop formal contracts to ensure industry meets the targets for apportionment of catch between eastern and western sub-stocks as agreed with the Minister, by 1 October 2001.

Document control

HFMC is instituting a document control system to:

- Ensure that those affected by HFMC management initiatives are advised of, and have access to, the current versions of all documents or contracts
- Record implementation of these by shareholders

All codes of practice or similar measures will be posted on a secure section of HFMC's website (www.hokinz.com).

Monitoring and compliance for industry self-management measures

HFMC is ensuring the effectiveness of its Codes of Practice and contracts (providing for the east/west stock split) through implementation of:

- Reporting regimes
- Industry observer programmes
- Use of the MFish observer program for independent verification
- Independent verification using industry catch statistics required under the Fisheries Act.

Specific measures are:

1. Code of practice to minimise catch of small hoki:
 - Industry observer programme in nursery area on western Chatham Rise

- Industry reporting regime on catch of small fish and corrective action taken by vessels to avoid such catches
 - Cross-verification using Government observer data to compare with industry reports
 - MFish observers instructed to report on compliance with code
2. Marine mammal code of practice:
- MFish observers instructed to report on compliance with code
3. East/west stock split agreement:
- Reporting regime to monitor compliance with industry target
 - Regular audit of reports using catch-effort data

HFMC cannot impose penalties on non-compliant members. In fact, financial penalties, even if specified in agreements, cannot be enforced under New Zealand law.

HFMC members have demonstrated high levels of compliance with voluntary management measures. Non-compliance is dealt with by providing accountable company managers with evidence of breaches.

Expected outcomes

- A structured shift towards self-regulation through CoP's and formal agreements.
- Improved monitoring of industry initiatives and reporting on their effect.

Timeframe

Ongoing

Stakeholder comments

- Relevant Codes of Practice and control measures should not be posted on a secure section on the HFMC website but instead be publicly accessible and reported upon.

Assessment Team Conclusion

- The document control aspects appear comprehensive and effective.
- Objective evidence of compliance and enforcement procedures are not included in the CAP (e.g. there are no substantive disincentives for contract breaches).
- Objective evidence of auditable monitoring and compliance procedures are not included in the CAP.
- The CAR remains in non-compliance, and this CAR is now raised to **Condition for maintaining certification**.
- The certificate holder is allocated a period of 3 months from the date of this Surveillance

Report to assemble objective evidence in relation to disincentives to breach industry contracts, and auditable monitoring and compliance procedures for breaches of industry codes of practice and related fishery policies.

New Corrective Action Requests Raised during Surveillance

None.

Other issues (including issues raised by stakeholders)

Stakeholder issues

- Distribution of the CAP has been poorly managed since many stakeholders were not aware of the latest version and some even did not receive the plan's latest version of 7th September.
- There are many references to the environmental principles of the NZ Fisheries Act in the CAP. It was recommended to include of a more thorough elaboration of the environmental and ecological connections between the NZ Fisheries Act and the MSC Principles and Criteria, which remains absent and is still recommended, as it would clarify the role of the different parties involved in the management of the fishery.
- The HFMC is expected to produce and disseminate an updated CAP including the wide array of comments received.

Changes in the fishery management

1. Jim Mace (CEO) has left the HFMC and has been replaced by Mr. Richard Cade from December 2001.
2. The TACC for 2001 has been reduced by 20% to 200,000 tons.
3. MFish has introduced the so-called 'deemed value regulation system' for by-catch of species under the NZ quota management system (QMS). This regulatory system imposes heavy penalties on by-catch of QMS species such as hake and ling in the NZ hoki fishery. The regulation aims to minimise by-catch of these species.
4. The HFMC has already made strong management and operational changes since MSC certification in March 2001. These include the reduction of the catch of juvenile fish, the redevelopment of the marine mammal code of practice, the employment of additional expertise to work on MSC related HFMC projects, and, the establishment of an internal management committee, however additional actions are necessary.

Recommended date for next surveillance visit

- September 2002.

Organisations consulted

- Hoki Fishery Management Company (HFMC) – Nelson
- Endurance Fishing Company Ltd. – Nelson
- Talley's Fisheries Ltd. – Motueka
- Amaltal Fishing Company Ltd. – Nelson
- Ministry of Fisheries (MFish) – Wellington
- Department of Conservation (DOC) – Wellington
- World Wildlife Fund (WWF) New Zealand – Wellington
- National Institute for Water and Atmospheric Research (NIWA) – Wellington

Documents sighted

1. Hoki Fishery Management Company. New Zealand Hoki Fishery. Marine Stewardship Council Certification. Corrective Action Plans. Version dated 07 September 2001.
2. Clark, M.R., Anderson, O.F. and Gilbert, D.J. Discards in trawl fisheries for southern blue whiting, orange roughy, hoki and oreos in New Zealand waters. NIWA Technical Report 71, ISSN 1174-2631, 2000.
3. Dunn, A. Patterns of by-catch of hake and ling in hoki catch on the west coast South Island hoki fishery. Prepared by NIWA on behalf of the Hoki Fishery Management Company Ltd. WLG2001/35.
4. Hoki Fishery Management Company. Managing Ling and Hake Catches in the West Coast South Island trawl Fishery. June 2001.
5. Department of Conservation. Approved Conservation Services Plan 2000/2001. As approved by the Minister of Conservation, 28 August 2000.
6. Department of Conservation. Approved Conservation Services Plan 2001/2002. As approved by the Minister of Conservation, 16 July 2001.
7. Amaltal Fishing Co. Ltd. Fishing Manual. July 1998.
8. Ministry of Fisheries. Final Advice Paper on Sustainability Measures. 2001

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MAD-43

MSC Fishery Surveillance Report

Page 32 of 32

Assessor's signatures	Date:
Mr. Aldin Hilbrands – Lead Assessor Mr. Michael van Uden – Assessor Mrs. Jo Akroyd – Local fishery specialist Dr. Trevor Ward – Marine ecosystem specialist	23 rd January 2001