



Key Facts about Aquaculture and Murihiku Southland

January 2025

The transformational growth of Aquaculture in Murihiku Southland is critical to help diversify the economy, provide high value jobs, shift the region to a low emissions economy and deliver positive cultural wellbeing outcomes for the region and its' people.

The Murihiku Southland Regional Aquaculture Strategy is the road map which will show how this is to be achieved. It is currently in its early stages of development with completion due mid-2025. It is aimed to be developed side by side with the Regional Coastal Plan, so these two key processes align. Great South and Environment Southland will work together closely to ensure alignment of both processes.

Key facts below provide background information and context.



What is Aquaculture?

- Known as 'farming in water', Aquaculture is the aquatic equivalent of agriculture or farming on land. It can be defined as the breeding, growing, and harvesting of fish and other aquatic plants



Why is there such a focus on Aquaculture in both Southland and New Zealand?

- The global demand for seafood protein from a sustainable blue economy is only forecast to continue growing, in concert with the expansion of the middle classes in developing nations. The New Zealand aquaculture sector is well placed to contribute to that growing demand in a sustainable and climate friendly manner.
- Aquaculture is a significant economic diversification opportunity and way to increase export revenue.
- There is potential to grow the current sector to a \$3B industry, which is currently worth \$670 million in annual sales to the New Zealand economy and employs approximately 3000+ FTEs.
- There is significant potential for Southland which currently farms 22% of New Zealand salmon and 3% of Aotearoa New Zealand mussels. The goal as identified in the Beyond 2025 Regional Long-Term Plan is for Southland to become at least a \$1B industry by 2035 which is 1/3 of the national target and which could see an increase in salmon production from 5000T to 40,000T. This could mean growing the region's population by 5,180 with 2,940 new jobs.



Why is Southland so suited to Aquaculture?

- Southland has natural advantages of a cooler climate and clear, cold, deep and sheltered waters. This creates an environment that is less prone to disease and subject to fewer algae bloom events than warmer areas.
- There is also a large area of potential marine aquaculture space connected to the region's 3,600kms of coastline.
- Aquaculture is already part of the Southland identity with a well-established seafood industry having operated in the region for the last 50 years which has knowledge, expertise and infrastructure such as hatchery facilities.



How important is Aquaculture to local Iwi?

- The Ngāi Tahu region is a prime region sustainable Aquaculture growth. Aquaculture is an important consideration to Ngāi Tahu as it provides significant economic, employment, cultural, and environmental benefits as well as intergenerational opportunities.
- Culturally, aquaculture connects the Iwi to traditional marine practices and ensures sustainable resource management. Ngāi Tahu also integrates environmental stewardship into their aquaculture activities, ensuring sustainable practices that protect the health of local ecosystems and marine resources for future generations.
- The Treaty settlement process has facilitated Ngāi Tahu's involvement in the aquaculture sector. The Iwi's settlement, which was finalized in 1998, provides Ngāi Tahu with financial compensation and recognition of their rights overfishing and aquaculture, giving them a stake in the development and management of these industries. Iwi are promised the equivalent of 20% of all consented aquaculture space under the Māori Commercial Aquaculture Claims Settlement Act 2004. Ongoing obligations for the Crown are reviewed/revisited every 5 years.
- In November 2024, the Government set aside almost 9,000 hectares for five new Aquaculture Settlement Areas for Ngāi Tahu and the Crown to assess for offshore aquaculture in Southland. The areas are offshore from Port Pegasus, Rarotoka South, Rarotoka North and Port Adventure in Foveaux Strait, and Ruapuke in the south of Rakiura/Stewart Island.



What has been Southland's approach to realising the opportunity of aquaculture to date?

- **2012** – The *Southland Regional Aquaculture Strategy* was developed in 2012 and aimed to provide high-level guidance on new aquaculture opportunities, allowing development to proceed in a planned, co-ordinated manner that integrated well with other uses and values.
- **2015-2020** – The *Southland Aquaculture Working Group* was formed from an initial working group following the release of the SoRDS Action Plan in 2015. It aimed to investigate potential new sheltered

sites for aquaculture development in Southland with scientific investigation undertaken by Environment Southland and MPI. It's focus then shifted to a business case that was funded by the Provincial Growth Fund (PGF) to support a funding application to construct a land-based Recirculating Aquaculture System (RAS) salmon hatchery.

- **2021-2023** – The establishment of the *Murihiku Aquaculture Group* coincided with the launch of the MBIE Southland Just Transition work programme, and subsequently, MAG became the southland Just Transition Aquaculture Workstream Work Group. This Group developed a workforce development plan to support the scale up of aquaculture in the region and investigated one open ocean aquaculture operation and value chain in the region.
- **2023** – The *Beyond 2025 Southland Regional Long-Term Plan* reinforced the value of aquaculture as a diversification opportunity proposed to grow aquaculture to become a \$1 billion industry by 2035, particularly important with the region's reliance on some key large industries and employers i.e. Tiwai Smelter. The Plan and recommended key actions including the need for a Regional Aquaculture Strategy to provide the pathway forward.



What regulatory changes are happening/have happened that will have an impact on Aquaculture?

Alongside the Treaty of Waitangi and the Māori Commercial Aquaculture Claims Settlement Act 2004, Aquaculture is managed under a plethora of different Acts – the main ones being the RMA 1991 and the Fisheries Act 1996. There has been, and still is, significant change occurring regarding various legislation connected to Aquaculture as the Government seeks to realise its' commercial opportunities.

- This includes a review of **the Government Aquaculture Strategy** (with its associated implementation and investment roadmap) which forms the specific starting point for the national direction and incentive for growth in Aquaculture out to 2035.
- As part of the RMA reforms, there have been efforts to streamline the consenting process for aquaculture projects, including making it easier and faster to obtain permits for aquaculture developments in coastal areas. In Southland, three aquaculture projects have been approved in the **Fast Track consenting** process as detailed below.
- The **Resource Management amendment Bill** to extend the duration of aquaculture decisions by 20 years or 2050, whichever occurs first, has been recently passed through Parliament.
- Environment Southland retains the primary role for regulating sustainable aquaculture development and issues resource consents for aquaculture activities under the RMA. They are currently reviewing a key piece of regulation – the **Regional Coastal Plan** for Southland (which is expected to be notified later this year).
- There are proposed changes to the **National Environmental Standard for Marine Aquaculture (NES-MA)**. The scope is to look at how consent variations for existing aquaculture are processed and seeks feedback on how to streamline changes to marine farming (either structures or species) and harvesting of local spat.
- The review of the **New Zealand Coastal Policy Statement (NZCPS) 2010** is expected to result in updates to the NZCPS to ensure that it addresses the evolving needs of New Zealand's industry, and Māori, while safeguarding the health of coastal ecosystems. It provides national direction for the management of New Zealand's coastal environment, including matters related to aquaculture, marine biodiversity, and other coastal activities.



What Aquaculture is already in Southland?

- There has been aquaculture activity in the region since the early 1980s with the farming of various molluscs (oysters, scallops, green lipped mussels and blue mussels) and seaweeds in Big Glory Bay.
- There are current resource consents for marine aquaculture in Big Glory Bay, Bluff Harbour, Ocean Beach and Ruapuke Island. At Ocean Beach, there is early-stage land-based farming of paua, white bait and seaweed.
- Southland's main wild seafood products are blue cod, crayfish, paua, kina and oysters with mixed inshore stocks such as flatfish, rig, butterfish making up the balance. There is potential for new synergies between wild fisheries and new aquaculture development.



What are the potential opportunities associated with Aquaculture in Southland?

Southland's selected fast track projects include a Makarewa hatchery, a Stewart Island marine farm, a Bluff land-based salmon farm and processing facility and a new water source for Invercargill city.

1. **Ngāi Tahu Seafood's Hananui Aquaculture Project** – Proposed development of a 2,500-hectare marine farm for finfish (salmon) off the north-eastern coast of Stewart Island. Full production potential is 16,000T of fish per annum.
2. **Sanford Limited's Makarewa Hatchery** – The project is to construct and operate a land-based recirculating water salmon hatchery on a 24-hectare former abattoir site. The hatchery will enable Sanford to reduce its dependencies on 'run of the river' hatcheries and create a fully contained controlled environment for growing smolt in tanks and using recirculated water. It will increase the biomass capacity by 700 percent.
3. **Impact Marine's Land-based Salmon Farm** - The project is to construct and operate a salmon farm and processing facility on land at Ocean Beach. The project will comprise: Land-based recirculatory aquaculture system salmon farm Hatchery, smolt and grow out facilities and buildings, processing plant and buildings, Waste pipework, water intake and pump infrastructure, saltwater and freshwater tanks, vehicle access/egress and internal roads.

There are a number of other potential projects at various stages including (but not limited to):

- **Sanford Limited's Project South** – The project is to establish and operate five open ocean marine farms as an integrated operation to farm salmon. The project will yield an expected 24,000 tonnes of salmon per year across the five farms off the eastern coast of Rakiura/southern coast of Ruapuke Island, Foveaux Strait.
- **Sanford Limited's Salmon Processing Facility** – The project is to construct and operate a new salmon processing facility on an industrial site in Bluff with immediate processing capacity of 10,000 green weight tonnes (GWT) per annum. The facility would be designed and staged for future growth to 20,000 GWT per annum.
- **Ocean Farms Limited** – The Ocean Farm NZ-01 project is to establish and operate a salmon farming area across a 475-hectare site of open ocean in the New Zealand Exclusive Economic Zone

35 nautical miles south of the South Island mainland and 25 nautical miles east of Rakiura/Stewart Island.

- [Kelp Blue Aotearoa Forestry Limited – Toe-Toes Kelp Southland](#) – The project is to commercially grow and harvest native kelp over 5 sites (comprising 3,340 hectares) of coastal marine area 5-20km south-east of Stirling Point, in the Foveaux Strait.
- [Te Rūnanga o Ngāi Tahu Polyculture Aquafarms](#) – The project is to establish and operate polyculture marine farms in the coastal marine area of Foveaux Strait around the eastern, northern and southern coast of Rakiura-Stewart Island in the Southland Region.
- [Ocean Beach Aquaculture Hub](#) – Further development and expansion of the Centre of Excellence recently supported with a \$2.2m loan from the Government’s Regional Infrastructure Fund.
- [South Port’s Synchro Life](#) – Possibility of the development of a new synchro lift facility on the Island Harbour of sufficient size to take larger OOA service vessels.
- [Town Wharf infrastructure at Bluff](#) – Design and upgrade of this site specifically for aquaculture use.



Why is a Regional Aquaculture Strategy needed?

There is no doubting the opportunities of this industry spurred on by significant private sector interest and a desire to streamline and speed up consent processes. Key rules which govern what aquaculture activity can occur (and where) are also currently being reviewed as is the national Aquaculture Strategy. In Southland, our own planning has identified the opportunity of this industry and the belief that we are the best place in New Zealand for aquaculture.

“Southland could be an international aquaculture powerhouse, accounting for one third to one half of the total New Zealand’s sales targets.”

However, all this will take time to develop and requires planning and investment. It is accepted that there is a need for significant infrastructure, supply chain commitment, as well as a skilled workforce which will require housing, of which there are current challenges.

The Regional Aquaculture Strategy will consider all of the above and provide a clear roadmap forward for Murihiku Southland including actionable recommendations to maximise the social and economic benefits of aquaculture, while ensuring sustainable management of resources.

The transformational growth of aquaculture in Murihiku Southland is critical to help diversify the economy, provide high value jobs, shift the region to a low emissions economy and deliver positive culture wellbeing outcomes for the region and its people.



How do we know if we are successful with developing aquaculture?



Growth of aquaculture is accelerating in a managed and planned way, with efficient use of infrastructure and resources.



The local community's understanding and the view of the value of aquaculture and positive impact on both wellbeing and environmental resilience is improved.



Iwi is playing a leadership role and intergenerational opportunities are enhanced.



Local resilient businesses have developed across the supply chain, benefiting from sector opportunities.



Healthy ecosystems are maintained through robust environmental and biosecurity frameworks.



Independent and robust scientific evidence continues to inform planning and operational decisions.



Research and innovation assist climate change resilience and continuous improvement of practices.



A stable workforce is building, with international-level vocational pathways and providing high value jobs for our people.



Aquaculture is playing an integral role in shifting the region to a low emissions economy.