



Submission to
the Ministry for the Environment
on the
Marine Protected Areas Act

Date: 11 March 2016

EXECUTIVE SUMMARY

1. The Tourism Industry Association New Zealand (TIA) welcomes the opportunity to comment on the proposed Marine Protected Areas Act.
2. TIA supports the Government wanting New Zealand's marine management system to achieve an appropriate balance between protecting the marine environment and maximising commercial, recreational and cultural opportunities.
3. We are concerned to see the lack of understanding of the impact on the tourism industry and the limited consultation with the tourism industry for this proposal.
4. TIA is of the opinion that establishing marine protected areas around New Zealand will have a positive impact on attracting both international and domestic visitors.
5. We have a number of concerns with establishing concessions systems in marine protected areas and TIA is of the opinion that industry consultation with affected tourism operators is vital before considering establishing a concessions system for marine protected areas.

RECOMMENDATIONS

6. As the consultation document is light on detail and does not specifically address existing tourism operator property and user rights, TIA recommends the Ministry for the Environment releases a second consultation document before the final proposal is enacted.
7. TIA recommends targeted consultation with affected members of the tourism industry to gain a stronger understanding of the importance of tourism to the New Zealand economy and the impact the marine protected areas could have on the tourism industry.
8. Concession systems are complex and before even considering setting up a concession system for marine protected areas, industry consultation with affected tourism operators is essential.
9. TIA recommends having a close look at the management framework of the Great Barrier Marine Park in Australia and utilising any lessons learned for the management of marine protected areas in New Zealand.

INTRODUCTION

10. The Tourism Industry Association (TIA) is the peak body for the tourism industry in New Zealand. With around 1,500 members, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure and activities, attractions and retail, airports and airlines, as well as related tourism services.

11. The primary role of TIA is to be the voice of the tourism industry. This includes working for members on advocacy, policy, communication, events, membership and business capability. The team is based in Wellington and is led by Chief Executive, Chris Roberts.
12. Any enquiries relating to this paper should in the first instance be referred to Nienke van Dijken, TIA Policy Analyst at nienke.vandijken@tlanz.org.nz or by phone on 04 494 1842.

Tourism 2025

13. Tourism 2025 (www.tourism2025.org.nz), an industry-led, government supported economic growth framework was launched in New Zealand in 2014 and has set an aspirational goal of reaching \$41 billion in annual tourism revenues by 2025. The industry's focus is on growing value faster than volume.
14. The Tourism 2025 framework is based around five key themes which are:
 - Insight - this is at the core of the framework recognising that having timely, accessible and relevant insight is what will help tourism businesses with the information they need to support operational and strategic decision making.
 - Connectivity - focusing on growing sustainable air connectivity is critical for an island nation that relies on 95% of its visitors arriving on a commercial aircraft.
 - Productivity - making more money from the investments we already have but finding new solutions to seasonality (the tourism industry's perennial challenge) and regional dispersal.
 - Visitor experience - we can derive more value by creating outstanding visitor experiences that meet the needs of a changing visitor mix and recognising the end-to-end visitor experience, the need to improve facilitation and be measuring dissatisfaction.
 - Target for Value - the identification of targeted opportunities that, if taken up, will deliver the greatest economic benefit.

COMMENT

Our understanding of the proposal

15. We understand that the aim of the proposal is to provide a better system of marine protected areas in the territorial waters.
16. The legislative reform proposes four different types of marine protected areas:
 - Marine reserves
 - Species-specific sanctuaries
 - Seabed reserves
 - Recreational fishing parks

These different types of marine protected areas would be managed under a new and improved Act of Parliament which would enable an integrated approach where a community can simultaneously consider different types of protection.

17. The proposed new law would require an analysis of the economic potential of an area, so the opportunities and costs of any new protected areas are openly considered.
18. It also encourages a collaborative approach to develop protected areas where iwi/Maori and interested parties, like fishers, conservation interests and industry, get to work together on better management of our marine environment.
19. The proposal aims to find a way forward that recognises the need for a balance between New Zealand taking up the economic opportunities for jobs and growth while also ensuring the right framework is in place for reserves, sanctuaries and recreational parks in the marine environment.
20. The proposal also discusses the establishment of two recreational fishing parks in the inner Hauraki Gulf and Marlborough Sounds.
21. Although TIA is pleased to see that the Government wants New Zealand's marine management system to achieve an appropriate balance between protecting its marine environment and maximising commercial, recreational and cultural opportunities, we are concerned to see the lack of understanding of the impact on the tourism industry in the consultation document and the limited consultation with the tourism industry.
22. This is an unfortunate reoccurring theme across a range of government agencies where the size and importance of the tourism industry to New Zealand's social and economic well-being is poorly understood.

General

23. There is strong scientific evidence that Marine Protected Areas are effective at preserving unique marine habitats, restoring fish populations that reside within the protected area, and as a way of ensuring that special treasures are preserved.¹
24. The Government recognises that establishing Marine Protected Areas may affect some existing property and use rights in the marine environment and the proposal specifically discusses 'Fishing' and 'Oil, gas and minerals' in the section 'Recognising economic interest' (p19).
25. TIA is surprised to see that 'Tourism' is not specifically being discussed in this section. Tourism operators such as whale watch operators, seal swimming operators, diving and snorkelling operators, kayak operators and recreational fishing charters have strong links and interest in marine protected areas. We are of the opinion that tourism and the sector's interests are strongly under-represented in the proposal.

¹ Source: <https://www.cbd.int/doc/case-studies/inc/cs-inc-rf-04-en.pdf>

26. Page 22 and 23 of the consultation document describe how the decision making process on marine protected area proposals will be undertaken:
- Collaborative process: It will enable collaboration between all interested parties, including fishers, iwi/Maori, local communities, business and the wider public.
 - Board of inquiry process: Ministers will be required to ensure board members have skills relevant to the proposal, including fishing, marine science, conservation, tikanga and matauranga Maori, and economic expertise.
27. TIA feels that it is very important that tourism interests are taken into account in the decision making process. For the collaborative process, interested parties need to include tourism representation and for the Board of Inquiry process, board representation needs to include those with local tourism expertise and knowledge. For this decision making process to be effective, it needs to be decentralised and information must be exchanged at a regional or local level.
28. TIA would like to see a stronger representation of tourism interests and representation in the final proposal. We also strongly suggest better consultation with the tourism industry on the proposal. TIA suggests that the Ministry for the Environment releases a second consultation document to the wider industry before the final proposal is enacted.
29. TIA is of the opinion that the consultation document is very limited in detail. Although the proposal seems to be a step in the right direction, it leaves us with many questions on the how & what of creating marine protected areas. The document only seems to discuss the main thoughts on it and does not discuss important details on the execution of the plan.

The value of marine tourism

30. Tourism is one of New Zealand's biggest export industries, earning \$11.8 billion or 17.4% of New Zealand's foreign exchange earnings (year ended March 2015).
31. Seafood New Zealand estimates that about 90% of all New Zealand's seafood by value is exported.² Seafood exports is a \$1.380 billion a year industry (year ended March 2015)³. Both tourism and seafood are intertwined and important sectors of the New Zealand economy. However, tourism is a much larger export earner for the New Zealand economy. It is of the utmost importance that the Marine Protected Areas Act takes into consideration how marine areas can add value to the tourism industry.
32. The cruise sector is important to New Zealand and cruise arrivals are now New Zealand's third largest holiday market, with an estimated 267,800 passengers arriving here during the 2015-16 cruise season. In 2014-15, the cruise sector added \$436 million to New Zealand's economy and supported 8365 jobs. Any decisions on establishing marine protected areas should include consultation with the cruise sector, ensuring cruise ships have the necessary right of passage.

² Source: <http://www.seafoodnewzealand.org.nz/our-industry/key-facts/>

³ Source: StatsNZ

33. Research by WWF-New Zealand on New Zealander's attitudes towards their oceans and marine reserves shows that 7 out of 10 New Zealanders think their marine environment is under threat and 96% of New Zealanders would like a much higher percentage of their marine environment protected than is at the moment.⁴
34. The International Visitor Experience Monitor 2015 shows that New Zealand's natural environment is a key reason to visit for international visitors and 72% rate New Zealand's environmental management among the best or ahead of most countries, 48% ahead of most and 24% amongst the best in the world.⁵ TIA is of the opinion that establishing marine protected areas around New Zealand will have a positive impact on attracting both international and domestic visitors.
35. Tourism is a vital component of regional economic development and promoting regional dispersal of visitors is one of the objectives of our Tourism 2025 framework. A network of marine protected areas would be beneficial for regional dispersal and regions would benefit from a growth in visitors.
36. Positive impacts of marine tourism activities include changes in the quality and quantity of goods and services as the development of tourism may lead to a wider array of goods and services available in an area (of either higher or lower quality than before). Other outcomes include greater employment, better services and infrastructure, improved health and improved standards of living.⁶
37. Marine tourism provides an important source of income for the local community. Visitors spend money on water-based activities. Marine areas also have an enjoyment value for people, both locals and visitors, which often cannot be measured in terms of a specific dollar value. Businesses naturally emerge around marine areas due to the array of opportunities within recreation and water-based activities. These activities generate economic wealth that has the potential to benefit the local community.⁷
38. In 2008, the Poor Knights Islands received the Marine Reserve Status. Since then, there has been significant growth in dive/snorkel adventure tourism to the Poor Knights Islands.
39. Dive! Tutukaka is a dive charter/ eco-tourism operator on the Tutukaka Coast and estimates that the direct value of their tourism attraction to the local community over the last 20 years exceeds \$50 million (with multiplier well over \$100 million). During the height of the season, they directly employ over 60 people, all due to activities generated from having the Poor Knights Islands Marine Reserve.

⁴ Source: New Zealanders' attitudes towards their oceans and marine reserves, 2011. Colmar Brunton research commissioned by WWF-New Zealand

⁵ Source: <http://www.tourismnewzealand.com/markets-stats/research/infographics/visitor-experience/>

⁶ Source: http://www.nztri.org/sites/default/files/MFish_Final_Report_06NOV09-rs.pdf

⁷ Source: http://www.nztri.org/sites/default/files/MFish_Final_Report_06NOV09-rs.pdf

40. Research done in 2009 by the New Zealand Tourism Research Institute on the economic value of marine tourism on the Tutukaka Coast shows that the majority of the interviewed businesses felt that the creation of a Marine National Park would be good for the Tutukaka Coast economy. They also felt that the creation of a Marine National Park would be good for tourism on the Tutukaka Coast.
41. This same research shows that the daily spend of a diver visitor on the Tutukaka Coast is considerably higher than the average for all visitors (2009 figures shows diving only visitor expenditure is \$122.56 per person per day, while overall visitor expenditure of \$74.66 per person per day).
42. This reinforces that establishing marine protected areas around New Zealand will have a positive impact on attracting both international and domestic visitors. Establishing marine protected areas is a positive step in the right direction, but we are concerned about the lack of consultation with the tourism industry on this proposal. The consultation document lacks the necessary level of detail to provide more considered feedback and there is a need for more information.

Managing commercial activities in marine reserves

43. In section 6.3 (p.38) the proposal briefly touches on the subject of managing commercial recreation and tourism activities within marine protected areas through a concessions system, similar to the management of tourism operations on public conservation land.
44. TIA is of the opinion that a concessions system for marine protected areas is very different from a concessions system for public conservation land and is likely to be generally more complex to manage.
45. For example, a tourism operator doing guided walks in a national park will generally use the same area for this. In contrast, a tourism operator doing whale watching tours or swimming with seal tours, will mainly use the area where the mammals swim at that particular point in time, which is not necessarily in the marine protected area.
46. TIA is of the opinion that if a concession system for marine protected areas is set up, this should apply to all commercial operators – not just to tourism operators using the area.
47. We have a number of concerns with establishing concessions systems in marine protected areas and we feel that industry consultation with affected tourism operators is vital before the Government should proceed with establishing a concessions system for marine protected areas.

Management framework Great Barrier Marine Park Australia

48. The economic value of the Great Barrier Marine Park Australia (GBMP) is over AU\$7 billion per annum in direct benefit, AU\$12 billion with multipliers and creates over 70,000 jobs.
49. TIA recommends having a close look at the management framework of the GBMP. This framework combines social, cultural, ecological and economic outcomes that provides for a smarter use of the marine environment for the future. It allows for different 'zones' with different activities, allowing seamless segmentation and management of the marine park environment. This integrated approach focuses on inclusive strategies and creates a win-win situation for all involved parties.
50. Any learnings from the GBMP should be used for the management of marine protected areas in New Zealand.
51. Commercial evidence from Australia, the Philippines, the Pacific Islands and the Caribbean shows that there are significant economic gains to be made from sustainably managed marine parks that have integrated activities such as recreational and charter fishing, diving, kayaking, species observations and further related economic activities such as boat-building and tourism as part of their design and purpose.⁸
52. The proposed legislation has the opportunity to deliver a world-class approach combining ecosystem based management, sustainability and smart innovative product development that will benefit 'NZ Inc' for years to come.

FOLLOW-UP PROCESS

53. TIA and/ or industry representatives would welcome the opportunity to participate further in any follow-up process, including any formal meetings, to ensure that the potential impacts on tourism are adequately understood and constructive feedback provided.

CONCLUSION

54. TIA is of the opinion that establishing marine protected areas around New Zealand will have a positive impact on attracting both international and domestic visitors. We feel that the Marine Protected Areas Act is a positive step in the right direction, but we are concerned about the lack of consultation with the tourism industry. The consultation document lacks the necessary level of detail to provide more considered feedback and TIA is of the opinion that there is a need for more information.

⁸ Source: Northland Inc, *Submission to the Ministry for the Environment on the Marine Protected Areas Act Consultation Document – DRAFT*, 10 March 2016

BACKGROUND

55. Tourism for New Zealand is big business as the country's largest export sector. It is a major contributor to the New Zealand economy that will always be here and won't easily go offshore. Tourism takes the lead in promoting New Zealand to the world. The brand positioning built by a vibrant tourism industry has become an important source of national confidence and identity and a front window for "Brand New Zealand". Indeed, the clean and pure offer that is synonymous with New Zealand tourism has been widely adopted and used to promote New Zealand exports in a range of other industries as well.

56. The tourism industry delivers the following value to New Zealand's economy:

- Tourism in New Zealand is a \$81.6 million per day and \$29.8 billion a year industry.
- The tourism industry directly and indirectly supports 12.1% of the total number of people employed in New Zealand. That means 295,908 people – one in eight – are working in the visitor economy.
- Tourism is one of New Zealand's biggest export industries, earning \$11.8 billion or 17.4% of New Zealand's foreign exchange earnings (year ended March 2015).

End.