



Seafood industry in New Zealand

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Overview

New Zealanders have always had a strong affinity with the sea. From the days of early Maoridom the ocean has played a big part in the commercial, cultural and recreational lives of our people.

Today seafood is one of the country's most important export industries.

The New Zealand seafood industry's international reputation for excellence is based on the quality of its products, its high food safety standards, and a world-leading fisheries management programme. This programme includes eco-safeguards and a quota management system that guarantees access to a sustainable seafood resource for generations to come.

A significant industry

Seafood is New Zealand's fifth largest export. Over the past 20 years international sales have grown from just NZ\$500 million to more than \$1.35 billion at the end of 2008, supporting thousands of jobs in major centres and coastal communities around the country.

Products are exported all over the world. Major markets are Australia, Hong Kong, the United States, China, Japan and Spain.

Currently the most valuable export seafood products are farmed Greenshell™ mussels, hoki, rock lobster, squid and orange roughy. Farmed King Salmon is a rising star. International sales have grown from \$28 million in 2005 to \$44 million in 2008.

The New Zealand advantage

Consistent quality and supply coupled with innovation and niche marketing, enables the New Zealand industry to win business in high value, premium markets in both the food service and retail segments. This is helped by recognition among our trading partners that New Zealand seafood comes from unpolluted waters, and is safe and sustainable.



Innovation is a pillar of the New Zealand seafood industry, from the development of new harvesting and distribution methods that maximise quality, to the creation of new, added-value products. More than 70 percent of New Zealand's seafood exports are considered added-value. Companies are customising products to meet client needs and consumer trends, including the preference for healthy, fresh, and delicious products.

Researchers are also exploring opportunities to develop new, higher value products from marine extracts, including food additives, dietary supplements, nutraceuticals, and pharmaceuticals.

Sustainability

New Zealand is recognised as a world-leader in fisheries management. The rigorous mechanisms and controls in place in New Zealand waters, including a highly effective mechanism for managing fishing quotas, ensure sustainable harvests and continuous renewal of the ocean habitats. They are a result of co-operation and shared responsibility between regulators and industry participants.

The New Zealand fisheries Quota Management System (QMS) was introduced in 1986 with the aim of conserving major fisheries stocks and making the fishing industry more efficient. Quotas are reviewed annually, following thorough analysis by scientists, industry, and other stakeholders to assess the population size of all major commercial and recreational fish species in their major fishing grounds. These areas are called Quota Management Areas (QMAs).

On the rise

Aquaculture is one of the industry's most exciting sectors, poised for transformational growth that should see it triple its current value to \$1 billion by 2025, mostly in exports. Work is underway to maximise the return from existing aquaculture species – mussels, oysters, salmon and paua – and to develop new high-value farmed species, including finfish, and new products such as nutraceuticals.

Fast facts

- New Zealand's marine fisheries waters (Exclusive Economic Zone and territorial sea): covers roughly 430 million hectares (Ministry for the Environment).
- Species commercially fished: 130.
- Total Allowable Commercial Catch: 586,000 tonnes.
- New Zealand controls the world's fourth largest fishing zone.
- New Zealand's total commercial catch and aquaculture production is 625,000 tonnes per year.
- New Zealand harvests most of its fish and shellfish (close to 96 species) using the [Quota Management System](#) (QMS).



- Mid and deep-water fisheries (hoki, orange roughy, ling, squid, hake), marine farming and rock lobster form the revenue backbone of New Zealand's seafood industry.
- New Zealand hoki was the world's first large white fish stock to qualify for the Marine Stewardship Council Certification – independent endorsement that it is a sustainable managed fishery.
- New Zealand's main aquaculture products are Greenshell™ mussels, salmon, Pacific oysters and paua (abalone).
- The mussel industry's world leading environmental code of practice is recognition that the future development of the industry depends on sustainability and environmental integrity.

Statistics

New Zealand's seafood industry is the country's fifth largest merchandise export earner. The industry makes a \$1.35 billion contribution to GDP and creates more than 22,000 jobs domestically. Seafood processing is the industry's biggest employment sector.

Top 10 export species 2008

1. NZ\$ 203m mussels
2. NZ\$ 180m rock lobster
3. NZ\$ 151m hoki
4. NZ\$ 71m squid
5. NZ\$ 62m mackerels
6. NZ\$ 61m orange roughy
7. NZ\$ 46m paua
8. NZ\$ 44m salmon
9. NZ\$ 41m ling
10. NZ\$ 38m tuna

Major export markets 2008

1. NZ\$ 248m Australia
2. NZ\$ 224m Hong Kong
3. NZ\$ 182m The United States
4. NZ\$ 161m China
5. NZ\$ 116m Japan
6. NZ\$ 67m Spain
7. NZ\$ 33m Korea
8. NZ\$ 26m Germany
9. NZ\$ 25m France
10. NZ\$ 23m Singapore
11. NZ\$ 193m European Union

Source: New Zealand Seafood Industry Council



Innovation

Sustainability

- Economically sustainable protection of natural resources. The sustainability focus is widespread, including trials to run two fishing vessels on biodiesel, and continuing investment into fuel efficiency equipment for its diverse fleet of inshore, purse seine, and deepwater fishing vessels.
- New Zealand hoki was the first large white fish stock to qualify for the Marine Stewardship Council eco-label – independent endorsement that it is one of the best-managed fisheries in the world.

Adding value

- In response to consumer demands, the seafood industry is developing prepared meal solutions. A successful example is a high-value half-shell mussel export developed at Aotearoa Seafoods in partnership with Crop & Food Research. The product is aimed at the European and the United States “heat ‘n’ eat” markets, in particular at consumers who may not be familiar with seafood or with cooking seafood. The product can be taken straight from the freezer, microwaved, and served.
- NIWA’s biotechnology team is working to add value to fish waste by identifying ingredients for use in the cosmetics industry. From a vast initial screening process, three novel bioactive products have been identified as having excellent potential, either as UV protectants or skin anti-ageing compounds. NIWA believes that under certain conditions, the natural ingredients in these fish-derived products can penetrate into skin cells, rather than simply act as UV filters or screens on the skin’s surface.

Aquaculture

- Sealord was the first company in the world to organically certify Greenshell™ mussels, a response to growing consumer demand for organic products and a natural progression in its quest to produce healthy sustainable seafood. The mussels are attracting premium prices and have created a world benchmark for organic mussel farming. Sealord is now applying the processes it’s developed for sustainable, organic marine farming across its mainstream production, part of its commitment to quality, safety, and sustainability.
- Cawthron Institute is among the world leaders in shellfish selective breeding, demonstrating yield gains of up to 20 percent per generation for mussels and oysters. Cawthron’s commercial oyster spat is from improved broodstock. The first commercial mussel crop from improved parents is growing.



Regional strengths

The seafood industry is spread throughout New Zealand. Major seafood hubs are: Nelson, Auckland, Canterbury, Timaru, Southland, Tauranga, Napier and New Plymouth. Marlborough/Nelson and the Coromandel are the main aquaculture areas.

Nelson

Nelson has the largest fishing port in Australasia, catering for everything from small local inshore boats to large factory trawlers. It is home base for the deepwater fishing fleets of two of New Zealand's largest fishing companies, Talley's/Amaltal and Sealord.

According to New Zealand career services there were 70 seafood and aquaculture businesses in the Nelson-Tasman region in 2007. Seafood and aquaculture is one of the four biggest employers in the region, employing around 2,200 people and the region accounts for a quarter of New Zealand's entire seafood output.

Marlborough

Marlborough is synonymous with aquaculture – mussels and salmon – which is the second biggest industry in the region. The Havelock Mussel Festival is now a permanent annual fixture, attracting thousands of visitors and generating great publicity for the small Marlborough settlement of Havelock.

Bluff

In the deep south of New Zealand, Bluff oysters are claimed by many to be the finest oysters in the world. They are grown slowly in the cold clean waters of the Foveaux Strait and in season are dredged by Bluff's oyster fleet. Such is the demand for the first Bluff oysters, that some boats are met by helicopters waiting to fly them to top New Zealand restaurants. A Bluff Oyster and Seafood Festival is held annually.

Coromandel

The Coromandel is another aquaculture stronghold, known for its mussels and oysters. It's also a key producer of scallops. The Whitianga Scallop Festival is fast becoming one of the country's iconic seafood events.

Industry structure

Key facts

New Zealand's seafood industry is made up of about 2,500 enterprises, including:

- fishermen
- marine farmers



- family-owned, publicly listed and joint venture seafood companies
- fisheries stakeholder organisations
- wholesalers and retailers.

Since 1986 and the introduction of the quota management system, restructuring in the fishing industry has resulted in larger amounts of fishing quota being held by fewer individuals or companies. (This factor has influenced the industry's development from a mostly domestic supplier to a leading exporter.)

In 2007 eight fishing companies provide 80 percent of production, but there remains a large number of medium and smaller, usually inshore, fishing operations. Most companies are in New Zealand ownership.

Some 2,200 individuals and companies own quota. The value of that quota is estimated to be worth \$3.5 billion.

There are over 1,500 commercial fishing vessels registered in New Zealand and 239 licensed fish receivers and processors.
(statistics sourced from the Ministry of Fisheries)

Exporters

In 2007 there were about 150 seafood export companies. The major ones include Sealord Group, Sanford, Talley's/Amaltal Fisheries, Independent Fisheries, United Fisheries and Aotearoa Fisheries Ltd. These companies, along with Te Ohu Kai Moana Trustee Ltd are also amongst the top companies by quota ownership.

Major industry organisations and groupings

Fisheries-focused stakeholder groups, the wider industry and Maori proactively work to take more responsibility for fisheries management, to ensure an economic, cultural and environmentally sustainable resource.

The New Zealand Seafood Industry Council – www.seafood.co.nz

The New Zealand Seafood Industry Council is a company, owned by the seafood industry and working on their behalf. Its main areas of focus include shaping policies, lobbying for surety of access to fisheries, reducing tariffs, working cooperatively on fisheries management and environmental issues, providing an avenue for funding for scientific research and value-added innovation, and enhancing the industry's profile in the community.

Commercial Stakeholder Organisations (CSOs)

Most commercial fisheries in New Zealand are represented by Commercial Stakeholder Organisations. These CSOs represent and manage the specific affairs of a particular fishery, for example rock lobster, a geographic area, or a specific fish stock or a group of stocks. The CSOs include the Deepwater Group Ltd, representing squid, hoki, and orange roughy.



Aquaculture New Zealand Ltd - www.aquaculture.org.nz

The aquaculture sector is represented by Aquaculture New Zealand Ltd, a national organisation launched in 2007 to represent the major species groups – mussels, salmon, oysters, and paua (abalone) – and to encourage the development of new species. The organisation provides a unified voice for aquaculture, a lobby group and sector advocate, and will help this sector achieve its goal of \$1 billion earnings by 2025, most of which will be in exports.

Te Ohu Kai Moana – www.teohu.maori.nz

Te Ohu Kai Moana Trustees Ltd, is responsible for administering, allocating and transferring \$350 million worth of Maori fisheries assets to iwi (tribal organisations) by 2010. These assets were awarded to Maori under Treaty of Waitangi settlements finalised in 1992, and include quota, cash, and income shares in Aotearoa Fisheries Ltd.

Aotearoa Fisheries Ltd (AFL) – www.afl.maori.nz

AFL is the largest Maori-owned fisheries company in Aotearoa/New Zealand. While Te Ohu Kai Moana acts as a governance body for Maori interests in the marine environment, AFL was established by the Maori Fisheries Act 2004 to manage the commercial arm of certain settlement assets into the future. It has a 50 percent shareholding in Sealord Group and Prepared Foods Ltd, and 100 percent ownership of Moana Pacific Fisheries, Chatham Processing, Pacific Marine Farms and Prepared Foods Processing.

Research and development

Several key agencies are working with the seafood industry on research and development, looking at ways to maximise the seafood resource, and support the sustainable development of the industry. These include Crown Research Institutes NIWA, and Crop and Food Research Ltd, and private research enterprise Cawthron Institute.

Seafood Innovations Ltd – www.seafoodinnovations.co.nz

SIL is a consortium involving the New Zealand Seafood Industry Council, Crop and Food Research, and the Foundation for Research Science and Technology. It has strong support from a range of seafood companies. It exists to help the sector increase product value, supporting practical research projects that respond to the foremost needs of the industry.

Ministry of Fisheries – www.mfish.govt.nz

The Ministry of Fisheries oversees central government policy in this sector. It works to ensure that fisheries are used in a sustainable way and that New Zealand has a healthy aquatic ecosystem so that all New Zealanders can get the best value from this resource.



Industry contacts

Export companies

Sealord Group

www.sealord.co.nz

Sanford Ltd

www.sanford.co.nz

Talley's Fisheries

www.talleys.co.nz

Aotearoa Fisheries Ltd

www.afl.maori.nz

United Fisheries

www.unitedfisheries.co.nz

Independent Fisheries Ltd

www.indfish.co.nz

New Zealand King Salmon

www.kingsalmon.co.nz

Leigh Fisheries

www.leefish.com

JEMCO

www.oystersnz.com

For a New Zealand seafood exporter directory see

www.seafood.co.nz/exporterdirectory

Industry organisations

New Zealand Seafood Industry Council

www.seafood.co.nz

New Zealand Aquaculture Ltd

www.nzaquaculture.co.nz

Te Ohu Kai Moana

www.teohu.maori.nz

Ministry of Fisheries

www.fish.govt.nz



Research and development agencies

NIWA – National Institute of Water and Atmospheric Research

www.niwa.cri.nz

Crop and Food Research

www.crop.cri.nz

Cawthron Institute

www.cawthron.org.nz

Seafood Innovations Ltd

www.seafoodinnovations.co.nz

International quotes

"You can just look at the water and rich, green land, and know things are pure."

"The seafood is unbelievable. We recently had New Zealand mussels in our kitchen, and the cooks were extremely impressed. There's no more critical audience than that!"

- *Shawn McClain, Chef/Owner Spring, Chicago*

"...sweet, sensual scallops from Whitianga, a little fishing port on the Coromandel peninsula, so fresh they threatened to jump off the plate, showered with basil, coriander and lemon grass..."

- *R.W. Apple Jr, Dining Out, The New York Times (article)*

"Our seafood is unspoiled, and farmed products are reared in beautiful pristine waters. I market that quite hard and think that as a Kiwi it's something to be extremely proud of."

- *Jason Dell, Executive Chef, New Zealand luxury hotel Blanket Bay - Recently rated by top international travel magazine Conde Nast as one of the finest hotels in the world for its cuisine, Our Blue Horizon, June 2007*

"We were the first company in the world to organically certify Greenshell™ mussels, a response to growing consumer demand for organic products and a natural progression of our drive to produce healthy sustainable seafood."

- *Lance Searle, Sealord Science & Research Manager, Our Blue Horizon, June 2007*