

Sustainable Fisheries Strategy

2017–2027

Coral fishery discussion paper – Consultation on management action to implement WTO conditions of approval

Results of consultation

Executive summary

Public consultation occurred between 7 April 2022 and 29 April 2022 on management actions required to meet the conditions of the Queensland Coral Fishery Wildlife Trade Operation (WTO) approval. The WTO is required to authorise the export of product from the Queensland Coral Fishery and was provided on 28 October 2021 by the Federal Department of Agriculture, Water and the Environment (DAWE).

The consultation covered the following proposals:

1. Coral logbook species
2. Proactive management of 2022-23 fishing season
3. ITQ species list for future years
4. ITQ allocation processes
5. Enhanced reporting requirements
6. *Acropora* spp. scientific program
7. Impact alleviation

Catch limits for each type of coral were specified as part of the WTO conditions, so these catch limits were explicitly out of scope of this consultation.

A **Coral Fishery Discussion paper - Consultation on management action to implement WTO conditions of approval** along with instructions for feedback were made available on the Department of Agriculture and Fisheries website. Stakeholders had the option of responding by email and could either address survey questions or provide direct written feedback.

Commercial coral fishers were highly engaged and proactive during this consultation process. Unanimous concerns about the impact of WTO conditions on business viability encouraged cooperation among licence holders. Fishers were in frequent contact with Fisheries Queensland staff for advice, either individually or in groups.

A total of 24 individual responses were received, as well as a response from the industry body ProVision. The majority of respondents (20 in addition to ProVision) were commercial fishers. Two respondents had retail interests and two had conservation interests.

All responses answered some or all of the survey questions. All responses additionally provided free text written responses.

Responses to consultation are summarised below.

Question	Overview of responses
1. Coral logbook species	<p>Most respondents agreed with the majority of species listed in the discussion paper, although almost all requested some form of amendment to this list. The list that reflects the majority of feedback totals 122 species.</p> <p>The majority of respondents supported electronic logbooks as the primary, but not the exclusive, means of reporting. The prevailing view was that a paper-based contingency must also be made available in case of the electronic system failing.</p>
2. Proactive management of 2022-23 fishing season	<p>Feedback to this paper and from numerous meetings and discussions indicates that the majority of commercial fishers have serious concerns about a race to fish for key driver species. Many fishers have strongly expressed disappointment that the new species-level catch limits cannot be managed via species-level ITQ for the upcoming season. A few industry members hold contrasting views and prefer a race to fish over the introduction of any input controls.</p> <p>Despite attempts by fishers to develop a majority view on behalf of the industry, it proved challenging to identify an input control that does not unduly favour some industry members at the expense of others. This is reflected in the feedback, which does not indicate a clear consensus for any option.</p>
3. ITQ species list for future years	<p>Most fishers were willing to accept this list as a starting point, however they do not necessarily support this list as is, and almost all emphasised the need for further consultation on this issue.</p> <p>Views on the addition of <i>Fimbriaphyllia paraancora</i> were mixed, with no clear majority.</p>
4. ITQ allocation processes	<p>The majority of fishers supported proportional allocation that would be based on their quota holdings at a future eligibility date. A small number of fishers support allocation based on history, or an equal split among all licence holders. Almost all emphasised the need for additional consultation on this issue.</p>
5. Enhanced reporting requirements	<p>Feedback was mixed on this question. Comments suggested that the reporting requirements would be too onerous, but few specific suggestions were presented to address this. Several fishers requested the ability to report live rock, rubble and soft coral using the existing weight conversion factors to make daily reporting more manageable.</p>
6. <i>Acropora</i> spp. scientific program	<p>Most fishers supported a 50% split. Some requested that government cover most or all of the costs, given the economic impact to fishers that would result from the WTO conditions and their subsequent inability to fund research.</p> <p>Most fishers suggested quota fees as a mechanism for collection of industry's share.</p> <p>Almost all fishers strongly supported research and were willing to allow researchers access to their facilities, with most requesting prior notice.</p>
7. Impact alleviation	<p>Suggestions for alleviation of impact included:</p> <ul style="list-style-type: none"> • Voluntary buy back of licences/quota • Support/training for transition into alternative jobs

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|--|---|
| | <ul style="list-style-type: none">• Fee relief• Grants/funding from government• Compensation• Better data to support higher catch limits and/or prevent additional restrictions. |
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(Note it is possible that that some respondents appear to have interpreted this question as referring specifically to the costs of research. This may explain the emphasis on grants.)

A number of common themes emerged from the additional comments provided, including:

- Strong support from almost all respondents for continued research and better data.
- Serious concerns from industry members about their ability to remain financially viable once the conditions of the WTO have been implemented.
- Some respondents commented that the discussion paper did not go far enough in terms of addressing all the issues in the fishery. It should be noted that this discussion paper is not intended as a plan for overall management of the coral fishery. The discussion paper only considers specific management changes required to meet certain conditions of the WTO.

Background

On 28 October 2021, the Commonwealth Minister for the Environment made a Wildlife Trade Operation (WTO) declaration, commonly referred to as a WTO export approval, under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) for the Queensland Coral Fishery. The WTO export approval is subject to nine conditions, a number of which are required to be implemented before the commencement of the 2022-23 fishing season. Several conditions, including the imposition of harvest limits, will fundamentally affect the way the Queensland Coral Fishery is managed. More information about the WTO conditions is available on the DAWE website at www.environment.gov.au/marine/fisheries/qld/coral

If the WTO conditions of approval are not met, there is a high risk the Commonwealth Minister for the Environment will revoke the WTO approval and coral harvested from the fishery would not be permitted to be exported.

The Marine Aquarium Fish and Coral Fisheries Working Group met a number of times to discuss the WTO conditions including the proposed management actions. Further information is available in the Communiques of the working group meeting at: www.daf.qld.gov.au/business-priorities/fisheries/sustainable/fishery-working-groups/marine-aquarium-fish-and-coral-fisheries-working-group/communiques

Discussions with the working group informed the preparation of the discussion paper.

Consultation process

The consultation took place between **7 April 2022** and **29 April 2022**.

A **Coral Fishery Discussion paper - Consultation on management action to implement WTO conditions of approval** was hosted on the website during the consultation period, with an invitation to provide feedback to fisheries.managers@daf.qld.gov.au by the due date.

The consultation covered the following proposals (for full details refer to the discussion paper).

1. Coral logbook species
2. Proactive management of 2022-23 fishing season
3. ITQ species list for future years
4. ITQ allocation processes
5. Enhanced reporting requirements
6. *Acropora* spp. scientific program
7. Impact alleviation

Catch limits for each type of coral were specified as part of the WTO conditions, so these catch limits were explicitly out of scope of this consultation.

The Fisheries Queensland website advised of the consultation via a banner headline. The consultation paper was also hosted on the Get Involved website (www.getinvolved.qld.gov.au). Coral licence holders and key fisheries stakeholders were notified of the consultation via email and were provided with a link to the relevant website as well as a Word version of the consultation paper for ease of editing.

Stakeholders had the option of responding by email to fisheriesmanagers@daf.qld.gov.au, and could either address survey questions or provide direct written feedback. Options to speak to a fishery manager were also offered. In addition to monthly online catch-ups with licence holders, Fisheries Queensland offered online Q&A sessions every few days during the consultation process.

In response to several queries from industry, on 13 April 2022 an email was provided to licence holders to formally clarify some of the technical terms used in the discussion paper. Subsequently no further concerns were raised with interpretation of those terms.

The 13 April 2022 email provided the following explanations to help clarify the terms:

(i) relative economic position

- *'Relative economic position' is a standard term used in fisheries management. In the case of the Qld coral fishery, it refers to the concept that someone's proportion of quota holdings (fished+unfished) under the old system should equal their proportion of quota holdings under the new system.*
- *It does not have any relationship to how much quota a person utilises per year, how much is unfished or fished at any point in time, an individual fisher's financial position, or the different profit margins for different coral species.*
- *The Queensland Coral Fishery is already fully allocated consisting of both DO (other coral) and DS (speciality coral) ITQ quota units totalling 200 tonnes. An example of proportional allocation would be if person "A" currently owns 1000 units of DS/DO ITQ, then following any changes they should still own 1000 units of the combined new species-level ITQs in order to maintain their relative economic position.*

(ii) eligibility date

- *The reference to an 'eligibility date' in the consultation paper refers to a future date in time. The benefit of a future date is that it allows all parties to make business decisions (to buy or sell quota) with equal knowledge of any potential upcoming changes.*

Commercial coral fishers were highly engaged and proactive during this consultation process. The industry is characterised by a wide range of business models that vary in scale and operation. Despite this, unanimous concerns about the impact of WTO conditions on business viability encouraged cooperation among licence holders. Coral fishers invested considerable effort into collaboratively proposing options for implementation that could achieve the best possible outcome for the industry.

Fisheries Queensland offered online Q&A sessions with licence holders every few days during the consultation process, all of which were well attended by industry. In addition, industry members proactively organised meetings amongst themselves with a view to achieving as much of a consensus view as possible, and were in frequent phone contact with Fisheries Queensland staff either individually or in groups to obtain advice about the most feasible and appropriate options.

Overview of responses

A total of 24 individual responses were received, as well as ProVision's response (refer to notes below).

All responses answered some or all of the survey questions. All responses provided free text written responses.

Notes about ProVision's response:

- ProVision is an industry organisation whose membership includes many but not all coral licence holders.
- ProVision led discussions about a coordinated response, on behalf of its members as well as any non-member licence holders who were willing to participate.
- ProVision notes that a majority view was reached for some but not all topics.
- Most industry members, including the authors of the ProVision submission, submitted their own responses individually. Several respondents referenced the ProVision response and identified where they agreed or disagreed with it.
- Therefore in order to avoid double-counting, ProVision's submission is not counted separately for the purpose of numerical calculations. Instead, descriptive commentary is provided to give context about the degree of consensus or otherwise that was able to be reached for each topic.

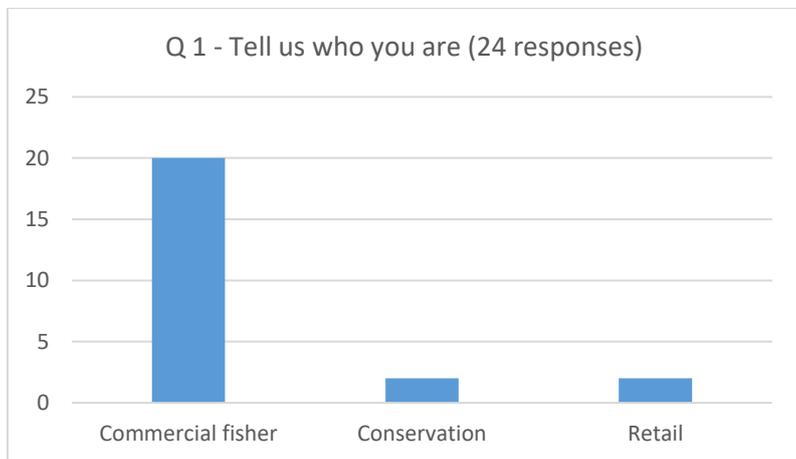
Responses to survey questions

Please note – this section includes all responses regardless of how they were provided. Responses that were provided in free text format rather than survey format have been sorted into the relevant survey category.

Question 1. Tell us who you are:

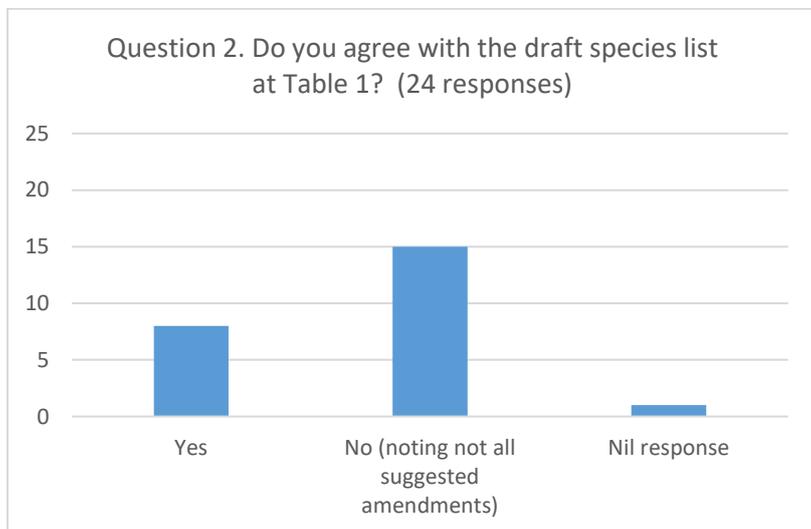
Personal information was collected for internal purposes only and is not made public.

The majority of respondents (20 in addition to ProVision) were commercial fishers. Two respondents had retail interests and two had conservation interests.

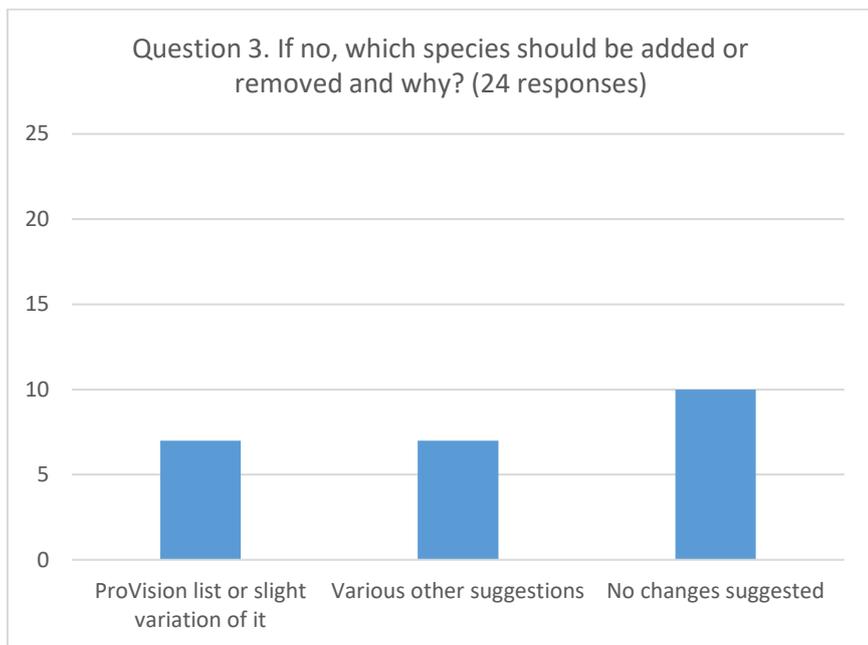


1. Coral logbook species

Question 2. Do you agree with the draft species list at Table 1?



Question 3. If no, which species should be added or removed and why?

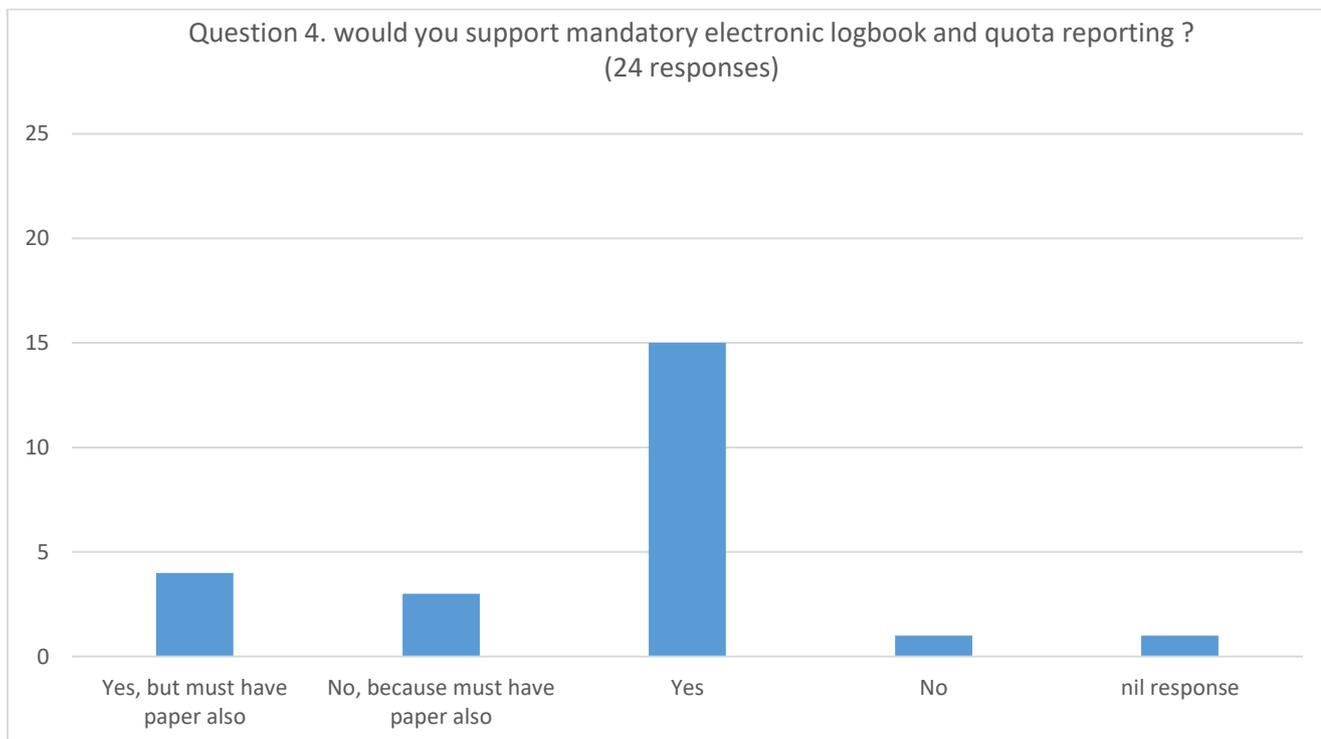


Most respondents agreed with the majority of species listed in the discussion paper, although almost all requested some form of amendment to this list.

The list that reflects the majority of feedback totals 122 species.

ProVision noted that the majority of its collaborators discussed and agreed to the proposed table in the ProVision submission.

Question 4. Given the number of species to be reported on, the investment to upgrade the commercial reporting app and the need for more timely and accurate reporting data to comply with the WTO conditions of approval, would you support mandatory electronic logbook and quota reporting for the Queensland Coral Fishery?

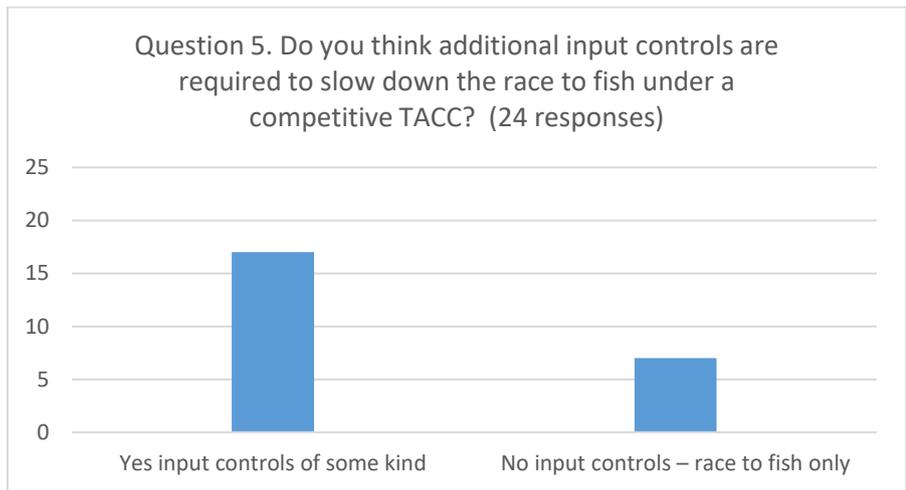


The majority of respondents supported electronic logbooks as the primary, but not the exclusive, means of reporting. The prevailing view was that a paper-based contingency must also be made available in case of the electronic system failing.

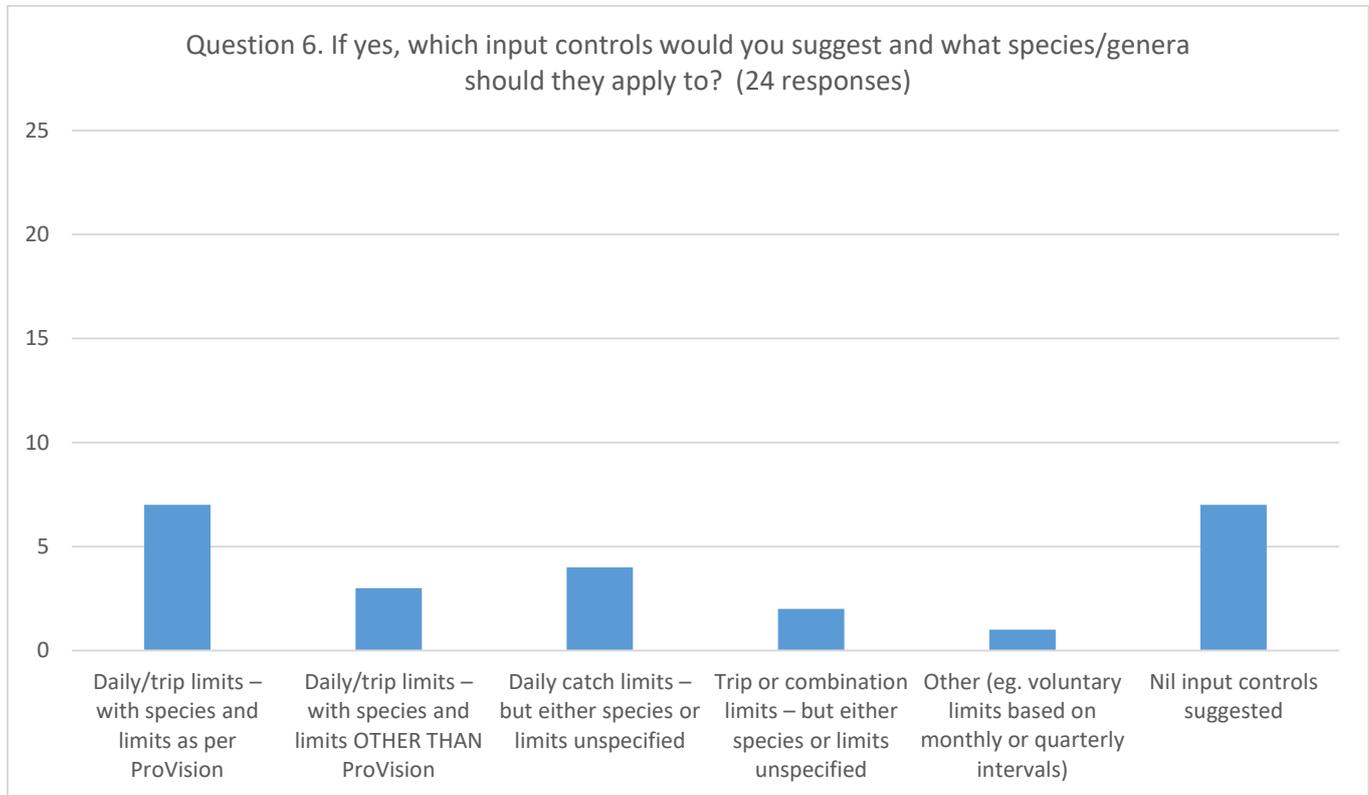
Provision noted that the majority of its collaborators support the use of electronic logbooks with a back-up of hard copy logbooks in the event that computers/electronics fail.

2. Proactive management of 2022-23 fishing season

Question 5. Do you think additional input controls are required to slow down the race to fish under a competitive TACC?



Question 6. If yes, which input controls would you suggest and what species/genera should they apply to?



Feedback to this paper and from numerous meetings and discussions indicates that the majority of commercial fishers have serious concerns about a race to fish for key driver species. Many fishers have strongly expressed disappointment that the new species-level catch limits cannot be managed via species-level ITQ for the upcoming season.

A few industry members hold contrasting views and prefer a race to fish over the introduction of any input controls.

Despite attempts by fishers to develop a majority view on behalf of the industry, it proved challenging to identify an input control that does not unduly favour some industry members at the expense of others.

This is reflected in the feedback, which does not indicate a clear consensus for any option.

Where input controls were suggested, they included:

- Daily catch limits, with differing opinions on the limits and the species to which they would apply
- Daily trip limits / combination of daily and trip limits, with differing opinions on the limits and the species to which they would apply
- Catch limits applied on a quarterly or monthly basis rather than for the full season (enforced voluntarily on the understanding this could not be achieved legislatively within the timeframe).

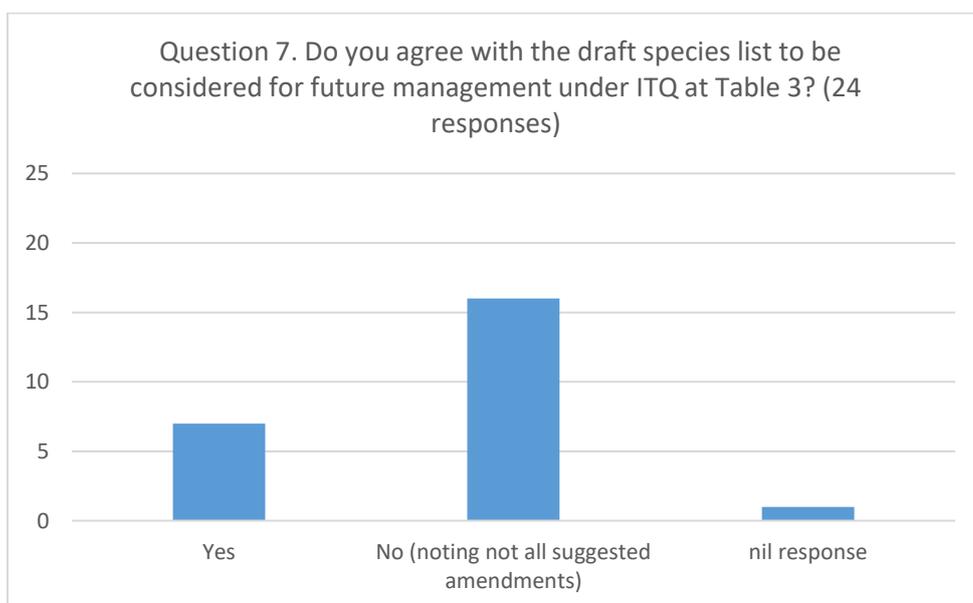
Arguments put forward against input controls include:

- would encourage operation in unsafe weather
- will severely disadvantage too many operators
- not enough time allowed for operators to fully understand the implications on a daily catch limit

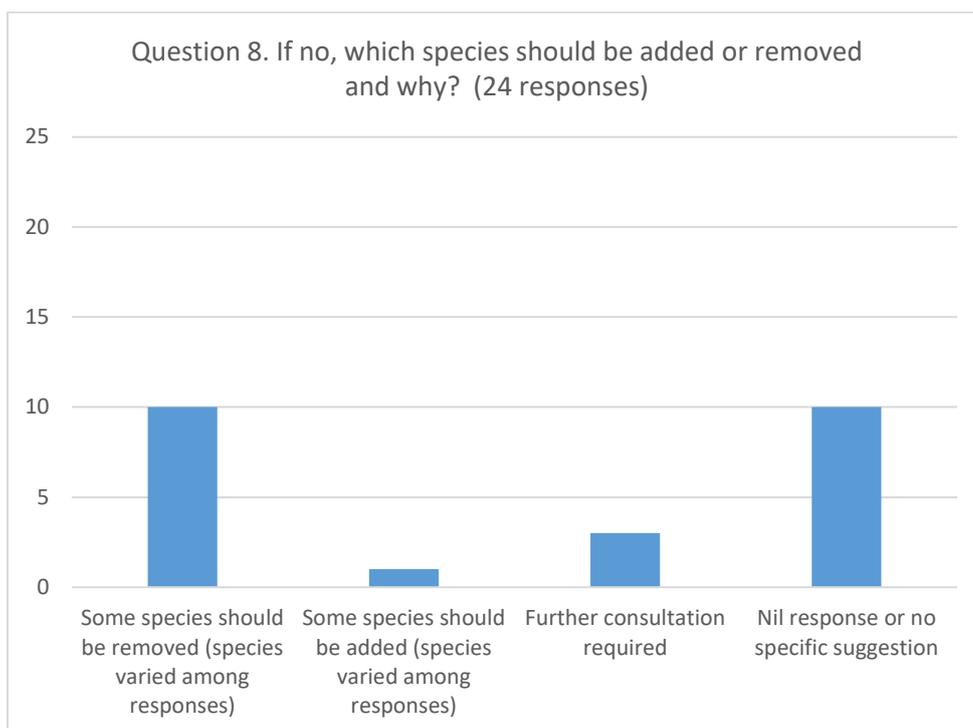
Provision noted that while the majority, but not all, of its collaborators support some mechanism to slow the race to fish, there were a range of differing views on how daily limits could be implemented. ProVision put forward a specific proposal for daily fishing limits for key species (*Micromussa lordhowensis*, *Euphyllia glabrescens*, *Acanthophyllia deshaysiana*, *Homophyllia cf. australis*, *Trachyphyllia geoffroyi* and *Euphyllia ancora*). This proposal was supported by some but not all fishers.

3. ITQ species list for future years

Question 7. Do you agree with the draft species list to be considered for future management under ITQ at Table 3?



Question 8. If no, which species should be added or removed and why?

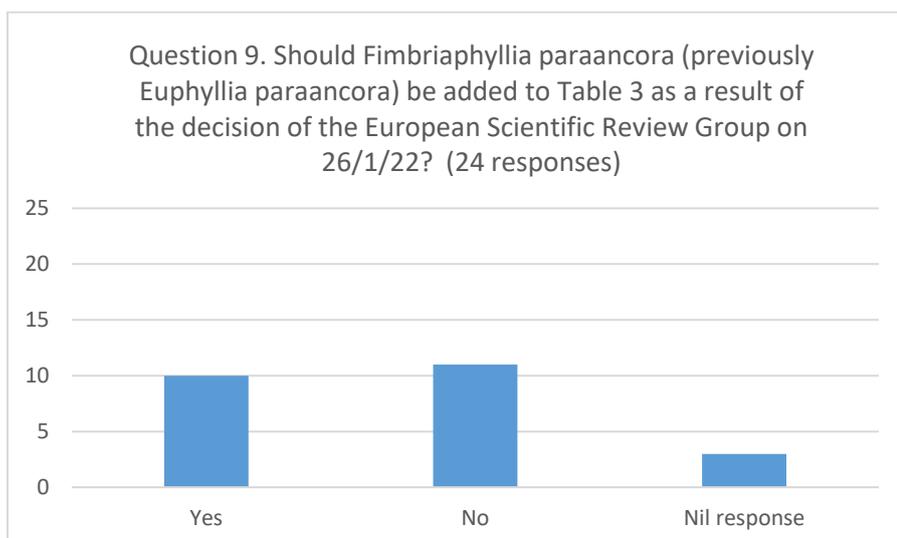


Most fishers were willing to accept this list as a starting point, however they do not necessarily support this list as is, and almost all emphasised the need for further consultation on this issue.

ProVision noted that industry supports ITQ in principle, but there are mixed views on the list of species to be managed via ITQ. There is some suggestion that some species from Table 3 (schedule B species) may not necessarily need to be included. The need for additional consultation was emphasised.

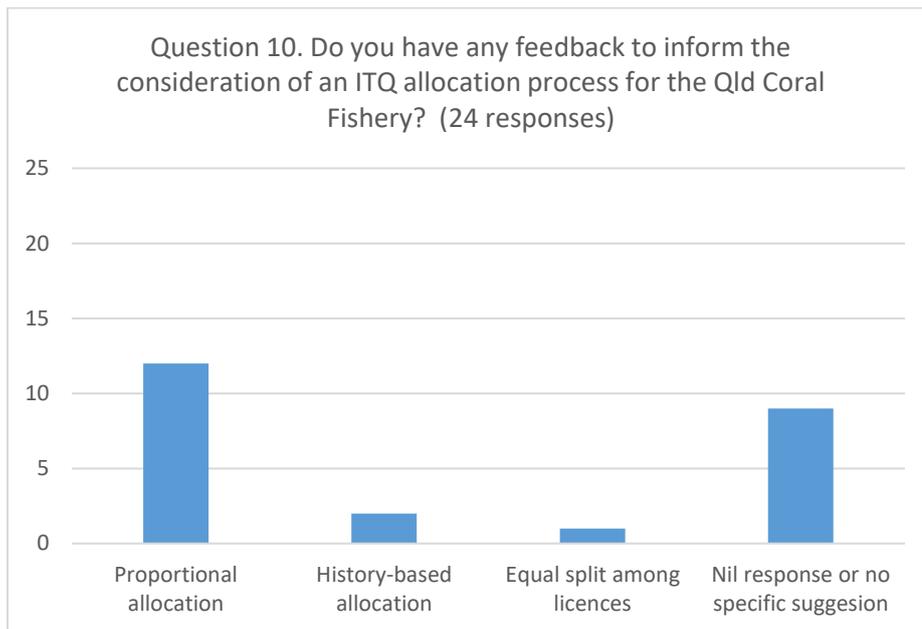
Question 9. Should *Fimbriaphyllia paraancora* (previously *Euphyllia paraancora*) be added to Table 3 as a result of the decision of the European Scientific Review Group on 26 January 2022?

Views on the addition of *Fimbriaphyllia paraancora* were mixed, with no clear majority.



4. ITQ allocation process

Question 10. Do you have any feedback to inform the consideration of an ITQ allocation process for the Queensland Coral Fishery?



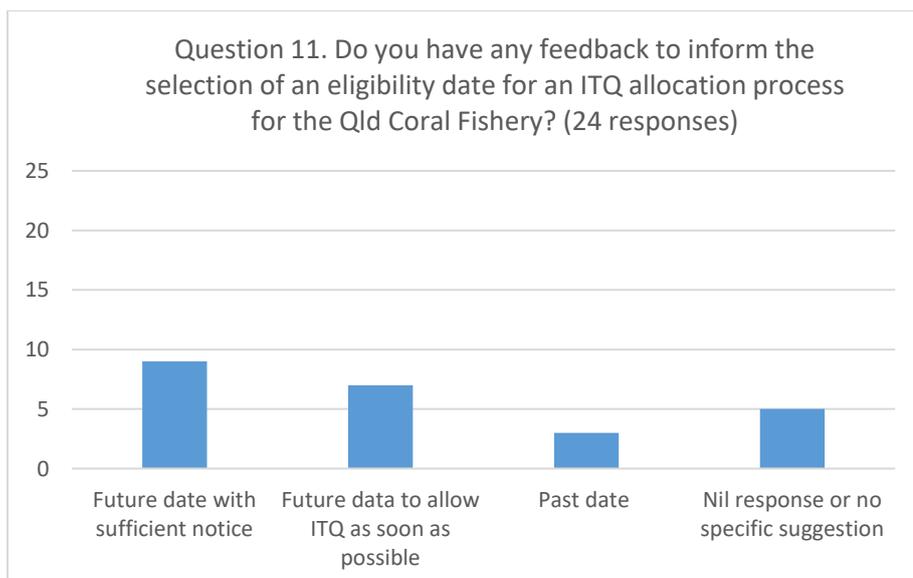
The majority of fishers supported proportional allocation that would be based on their quota holdings at a future eligibility date.

A small number of fishers support allocation based on history, or an equal split among all licence holders.

Almost all emphasised the need for additional consultation on this issue.

ProVision noted there are mixed views within industry about the allocation formula and it was recognised that further consultation is required.

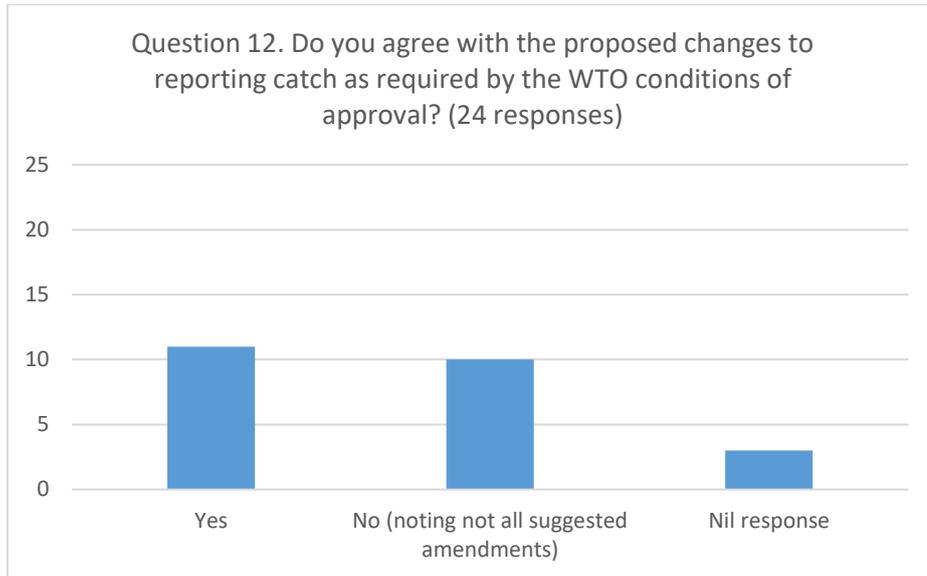
Question 11. Do you have any feedback to inform the selection of an eligibility date for an ITQ allocation process for the Queensland Coral Fishery?



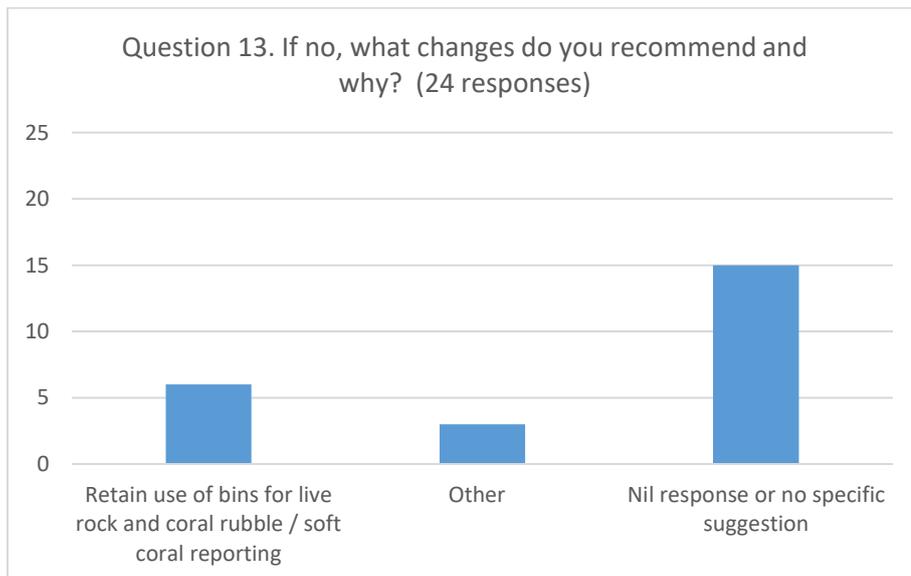
ProVision noted that its collaborators generally supported a future date with adequate notice to allow industry members enough time to finalise quota trading transactions (buying, selling, leasing).

5. Enhanced reporting requirements

Question 12. Do you agree with the proposed changes to reporting catch as required by the WTO conditions of approval?



Question 13. If no, what changes do you recommend and why?

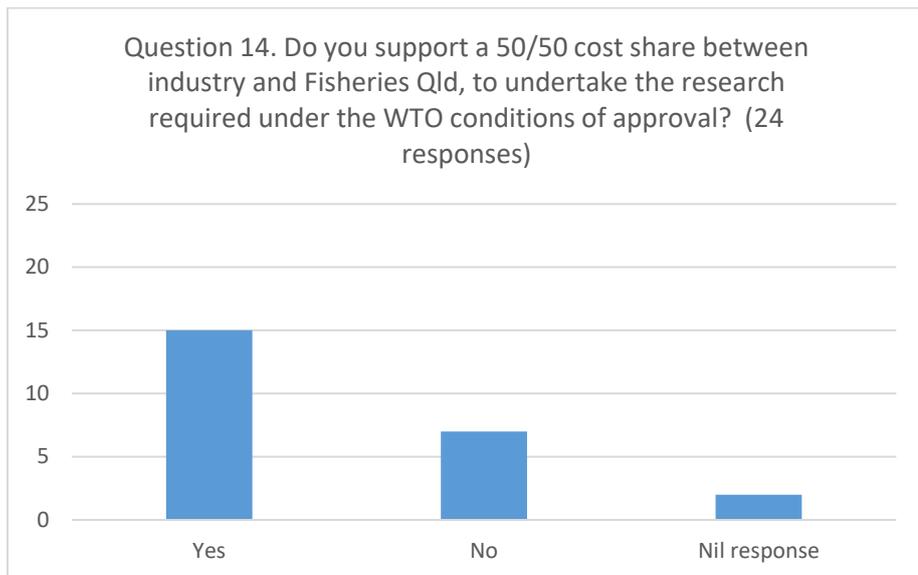


Feedback was mixed on this question. Comments suggested that the reporting requirements would be too onerous, but few specific suggestions were presented to address this.

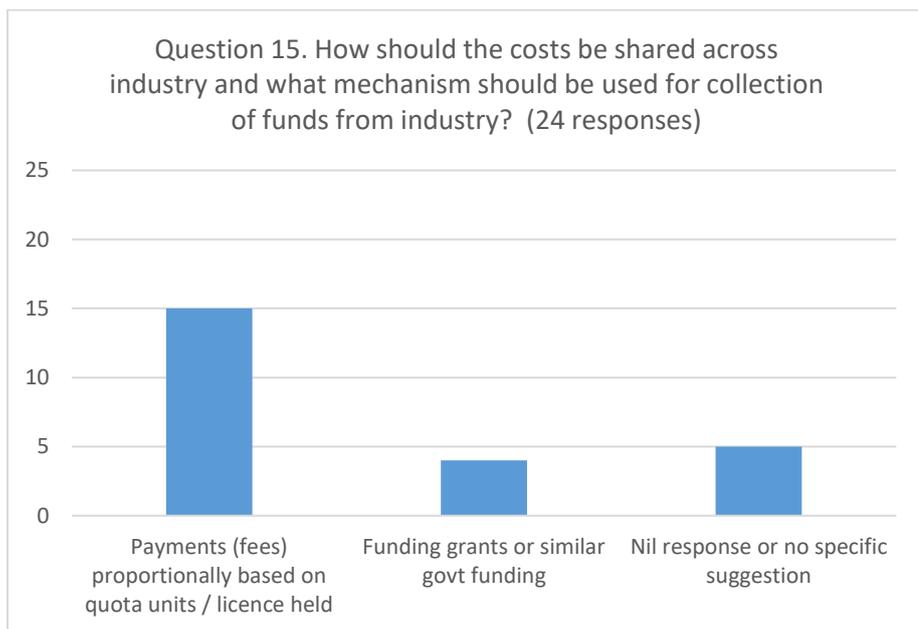
A number of fishers (including ProVision's response) requested the ability to report live rock, rubble and soft coral using the status quo based on weight conversion factors to make daily reporting more manageable.

6. *Acropora* spp. scientific program

Question 14. Do you support a 50/50 cost share between industry and Fisheries Queensland, to undertake the research required under the WTO conditions of approval?



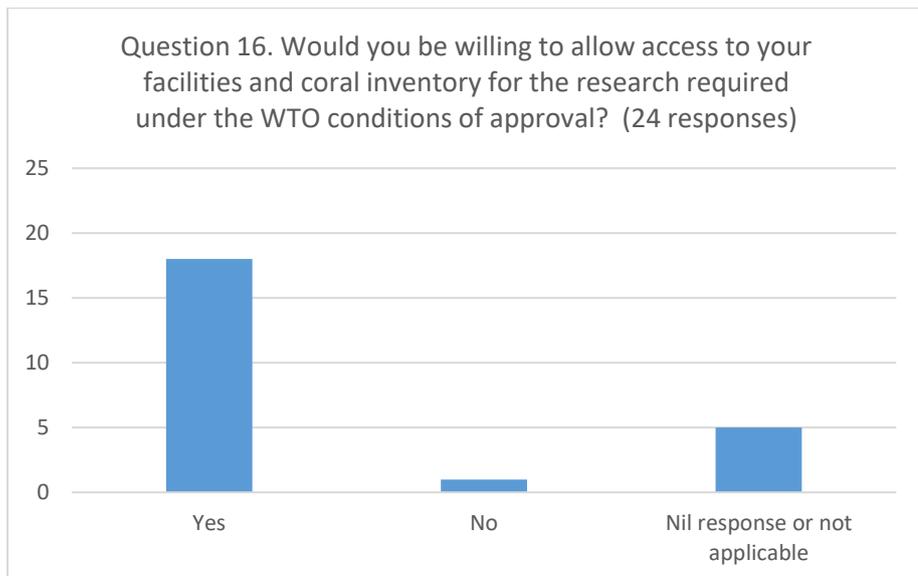
Question 15. How should the costs be shared across industry and what mechanism should be used for collection of funds from industry?



Most fishers supported a 50% split. Some requested that government cover most or all of the costs, given the economic impact to fishers that would result from the WTO conditions and their subsequent inability to fund research.

Most fishers (including ProVision) suggested quota fees as a mechanism for collection of industry's share.

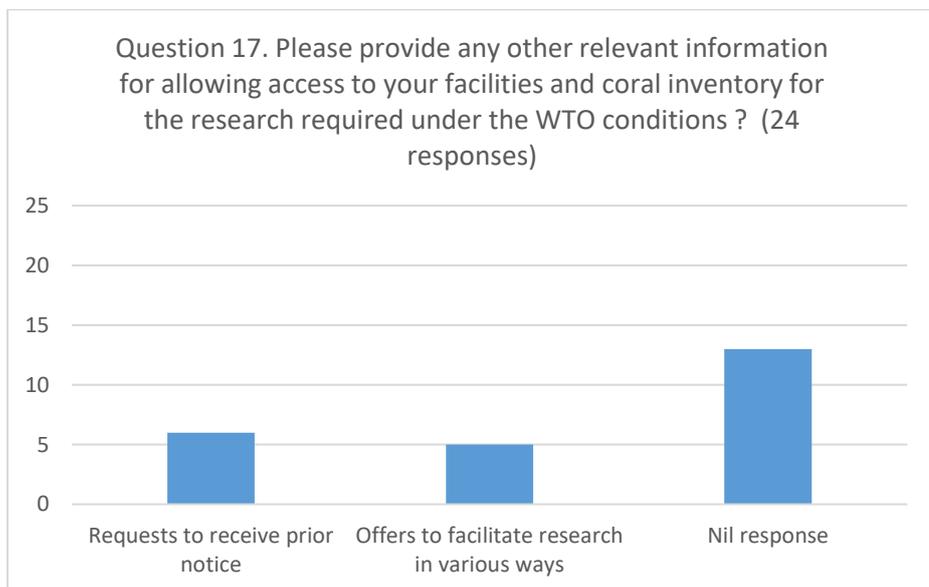
Question 16. Would you be willing to allow access to your facilities and coral inventory for the research required under the WTO conditions of approval?



The majority of fishers (including ProVision) were fully supportive of allowing access to facilities for research purposes, with most requesting sufficient prior notice.

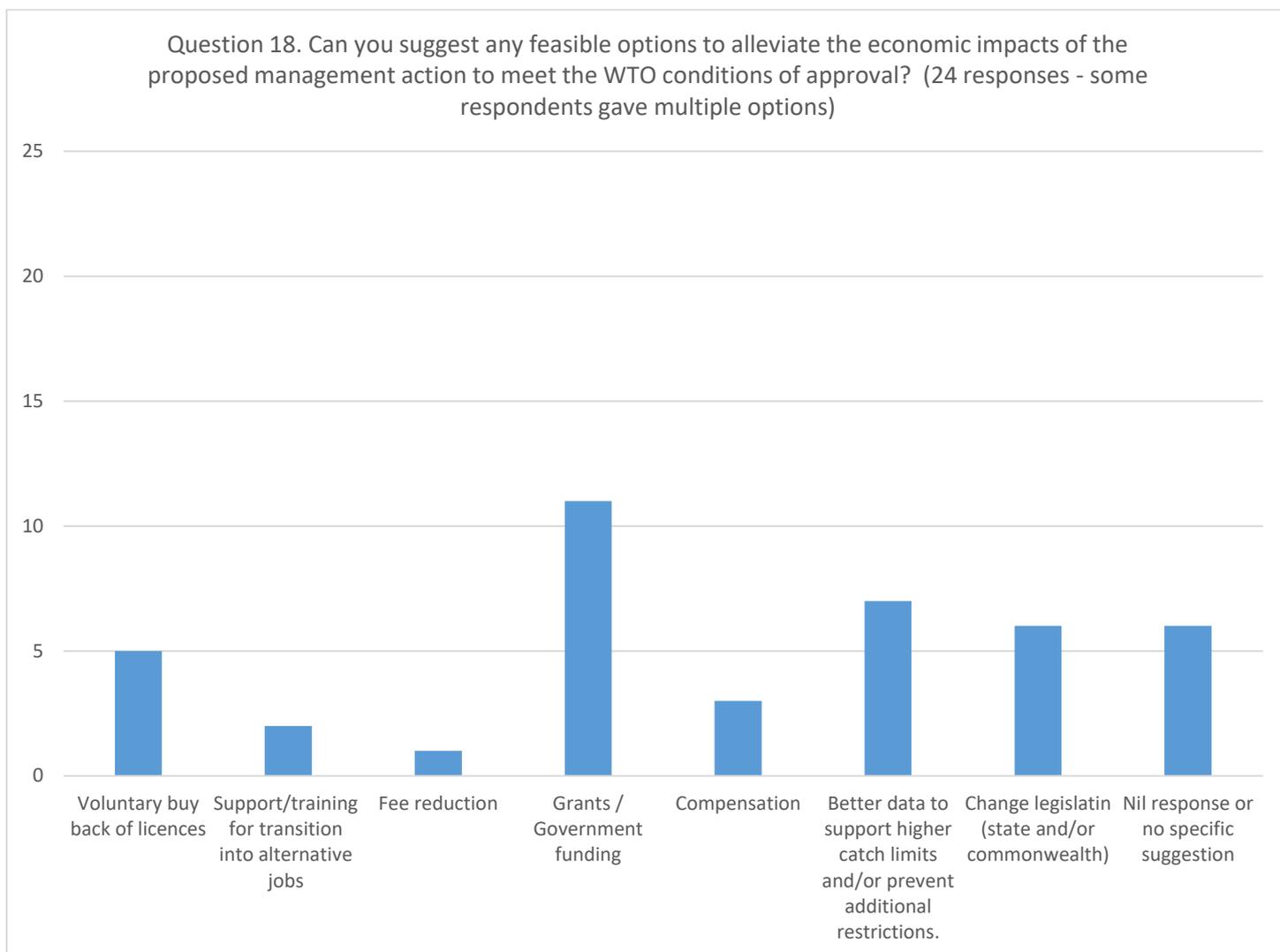
Question 17. Please provide any other relevant information for allowing access to your facilities and coral inventory for the research required under the WTO conditions of approval?

Responses to this question are specific to individual premises and are collected purely to facilitate the research project.



7. Impact alleviation

Question 18. Can you suggest any feasible options to alleviate the economic impacts of the proposed management action to meet the WTO conditions of approval?



A range of suggestions were provided including seeking external funding of some kind to help industry transition through this difficult period.

(Note it is possible that that some respondents appear to have interpreted this question as referring specifically to the costs of research. This may explain the emphasis on grants.)

Additional commentary

This section captures comments over and above the information provided above.

Broad category	Further detail
Consultation process	<ul style="list-style-type: none"> • Generally positive feedback for Fisheries Queensland staff for assistance and making themselves available to address queries. • The tight timeframes were problematic for some, although commercial fishers advised they were aware of the need to meet WTO deadlines. • A few fishers expressed frustration that Fisheries Queensland was unable to provide certainty about key points. For example: the maximum number of species that would be accepted for logbooks, and exactly which input controls could possibly be implemented prior to 1 July 2022.
Consultation material	<ul style="list-style-type: none"> • As noted above, several fishers complained about confusing terminology in the discussion paper which resulted in the need for a clarification email.
Economic hardships	<ul style="list-style-type: none"> • Serious concerns from industry members about their ability to remain financially viable once the conditions of the WTO have been implemented.
Evidence for management decisions	<ul style="list-style-type: none"> • Strong support from almost all respondents for continued research and better data. • Many fishers objected to the WTO conditions on the grounds that the data is insufficient for evidence-based fisheries management.
Broader issues regarding fishery management	<ul style="list-style-type: none"> • Some respondents commented that the discussion paper did not go far enough in terms of addressing all the issues in the fishery. It should be noted that this discussion paper is not intended as a plan for overall management of the coral fishery. The discussion paper only considers specific management changes required to meet certain conditions of the WTO. • Aquaculture/propagation of coral was raised by some respondents as a better alternative to harvest of wild coral.

Out of scope comments

Some of the feedback received was out of scope of the context of this discussion paper.

Feedback	Notes
Concerns regarding the rationale and/or data used by DAWE to calculate the catch limits prescribed in WTO conditions	<ul style="list-style-type: none"> • The WTO approval has been endorsed and there is no scope to revisit the WTO conditions as part of the current process
Concerns that the discussion paper does not consider all aspects of coral fishery management or aquaculture and/or does not cover the full list of WTO conditions	<ul style="list-style-type: none"> • This discussion paper is not intended as a plan for overall management of the coral fishery. The discussion paper only considers specific management changes required to meet certain conditions of the WTO. • The Coral Fishery Harvest Strategy 2021-2026 guides the management of the coral fishery (www.daf.qld.gov.au/business-

Feedback	Notes
	<p>priorities/fisheries/sustainable/harvest-strategy).</p> <ul style="list-style-type: none"> Other WTO conditions are being addressed through separate but concurrent processes. Refer to communiques from the Coral and Marine Aquarium Fish Working Group for more information (www.daf.qld.gov.au/business-priorities/fisheries/sustainable/fishery-working-groups/marine-aquarium-fish-and-coral-fisheries-working-group).
Concerns about unauthorised coral collection	<ul style="list-style-type: none"> Anyone who is aware of illegal activity is encouraged to contact FishWatch (https://daf.engagementhub.com.au/fishwatch)
Requests for management options that are beyond the scope of what is possible to achieve prior to the start of the next season on 1 July 2022	<ul style="list-style-type: none"> Any proposals to change the legislation must adhere to the due process, and only certain types of amendment can be achieved within a short timeframe. Opportunities will be available after 1 July 2022 to consider additional management changes through a more comprehensive review and consultation process.
Requests for management options that would be in contravention of the WTO conditions (eg. reporting to genera level when the WTO prescribes catch limits at the species level)	<ul style="list-style-type: none"> All management changes including the species list used in logbooks post 1 July 2022 must align with the WTO conditions in order to ensure the fishery retains approval to export product.
Comments regarding the industry association	<ul style="list-style-type: none"> Discussions amongst industry members are an internal matter within the industry.

Next steps

This feedback will be used to inform urgent management decisions required to make the necessary management changes. Updates on regulation changes will be provided on the Fisheries Queensland website.

Management actions that must be implemented by 1 July 2022:

- Species level catch limits as prescribed by WTO conditions (outside scope of consultation)
- Coral logbook species
- Proactive management of 2022-23 fishing season
- Enhanced reporting requirements
- Acropora spp. scientific program

Management actions that will be subject to additional rounds of consultation and review:

- ITQ species list for future years
- ITQ allocation processes
- Impact alleviation

Learnings for future consultation processes include the need to describe fisheries management terms in greater detail.

The Marine Aquarium Fish and Coral Fisheries Working Group meeting communiques will also record updates to the management changes: <https://www.daf.qld.gov.au/business-priorities/fisheries/sustainable/fishery-working-groups/marine-aquarium-fish-and-coral-fisheries-working-group/communiques>