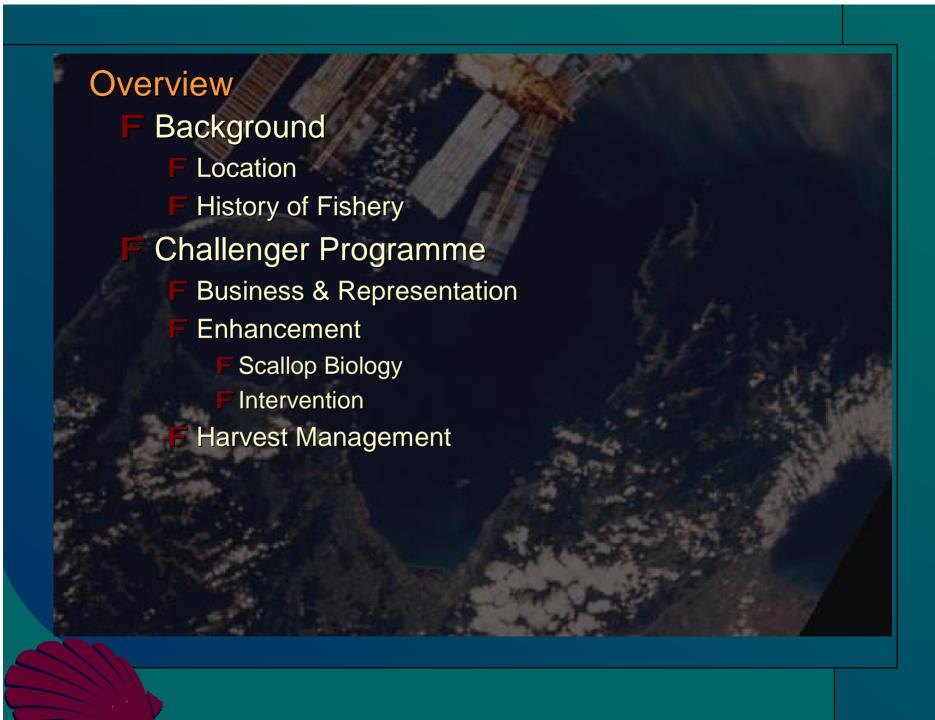


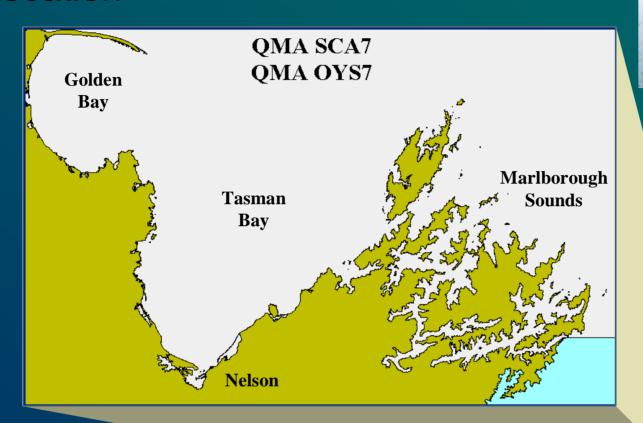
Russell Mincher
Chief Executive Officer
Challenger Scallop Enhancement Company





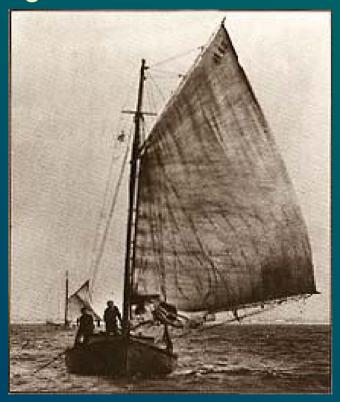


Location



History of Fishery

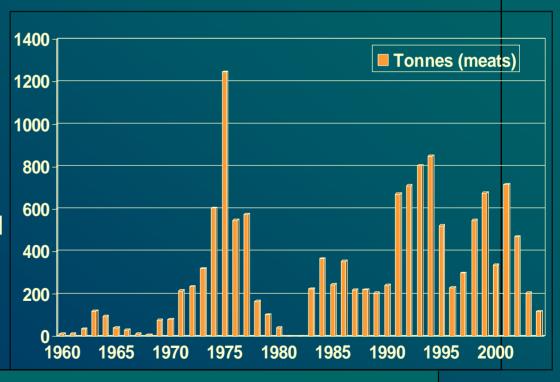
- F Oyster dredging 1845
- F Green-lipped mussel dredging since 1940's
- F First commercial scallop landing 1959



History of Fishery

- F Oyster dredging 1845
- F Green-lipped mussel dredging since 1940's
- F First commercial scallop landing 1959
- **F** Boom 1975
 - F Open access
 - F Over 200 boats
 - F 1,248 T landed
- **F** Bust 1980
 - F Controlled Fishery
 - F 48 boats permitted
 - F 41 T landed
- F Fishery Closed



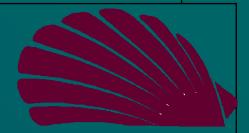






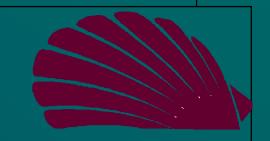
CSEC

F Business & representation



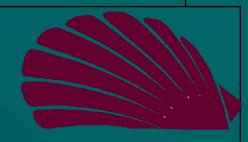
Business & Representation

- F Company Structure
 - F Unlisted limited liability public company
 - F Shares exclusive to Scallop 7 quota owners
 - F Voting on amount of quota owned
- F Management
 - F 10 11 member board
 - Business plan & budget set at AGM
- **F** Funding
 - F Commodity Levies (Southern Scallops) Order
 - FLevy set at General Meeting
 - F Up to 25% of landed value of scallops



CSEC

- F Business & representation
- F Enhancement



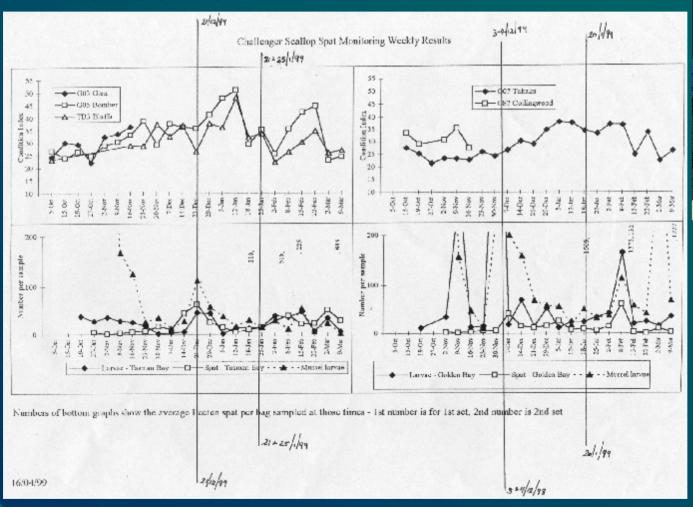


- F Pecten Novaezelandiae
 - F Bivalve mollusc
 - F Prefers mud or sandy bottom
 - F Functional hermaphrodite
 - F Primary spawning early summer
- F Pelagic stage
- F Settles and grows into juvenile scallop
- F Drops to seafloor
- F Lives 3 5 years



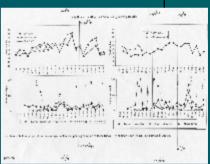




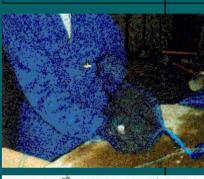


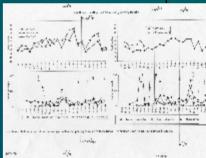










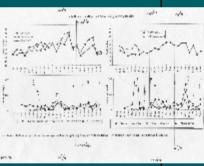












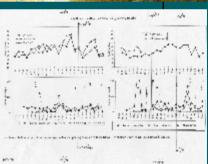




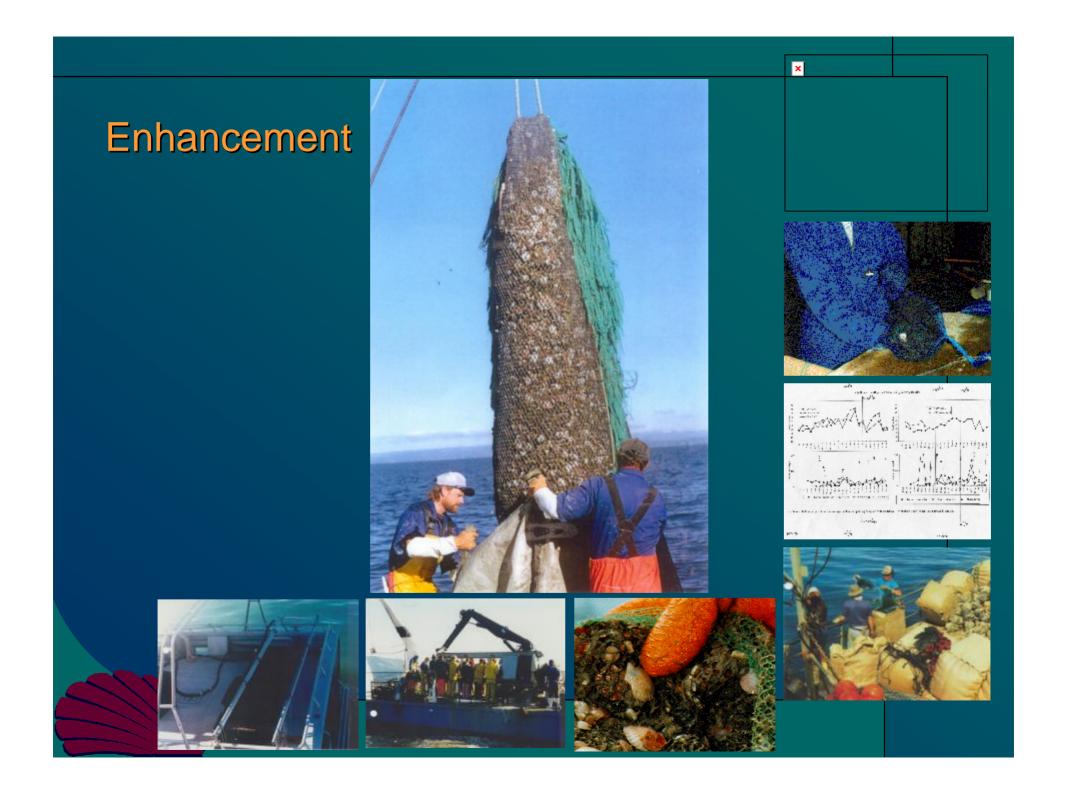












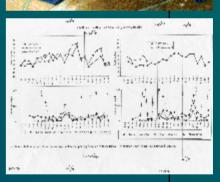








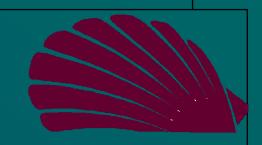






CSEC

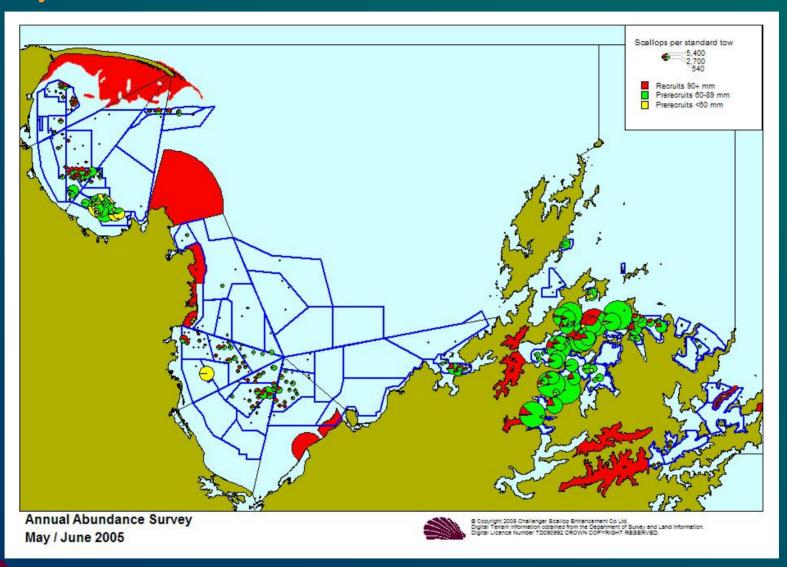
- F Business & representation
- **F** Enhancement
- F Harvest management & sharing



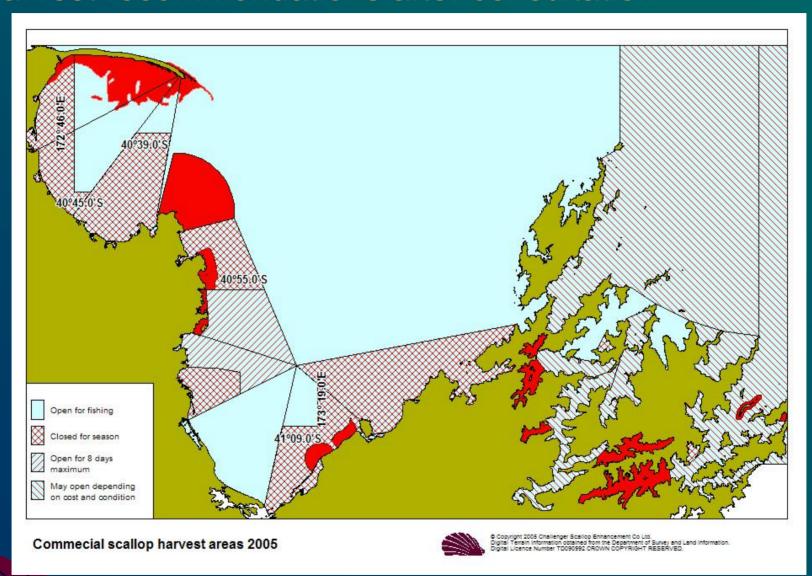




Survey

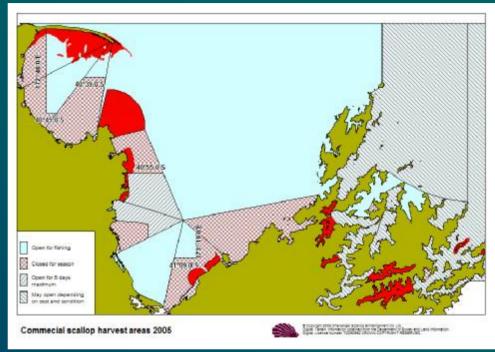


Harvest recommendations after consultation



Managing fisher behaviour

- F Harvest agreement
 - F Agreed rules
 - F 100% subscription
 - F Compliance programme
- F Rules
 - F Catch limits
 - F QMS
 - F Marlborough Sounds
 - F ACE shelving
 - F Vessel numbers
 - F Quality closures
 - F Dredge specification
 - **F** Fishing times
 - F Rotational Fishery
 - F Closed areas



Moving forward

- F Fisheries Plan
 - F Strengthen current instruments
 - F Improve harvester commitment
 - F Better framework for communication between stakeholders and with Government

F Provide for environmental standards (SMEEF)

