

NOTES FROM CORE GROUP MEETING TO DISCUSS POTENTIAL BROADER BENEFITS FROM
KBWF'S PROPOSED HATCHERY/OFFSHORE FARM PROJECT

HELD AT : NELHA Conference Room. 5 – 7 pm, Tuesday, April 23rd, 2002

PRESENT : Sue Aronson (Kealakehe Ahupua'a 2020)
Angel Pilago (Kohanaiki Ohana)
Dale Sarver (KBWF)
Neil Sims (KBWF)
Ed Stevens (NELHA Cultural Advisory Board)

INVITED, BUT ABSENT : Daniel Akaka Jnr (Mauna Lani fishpond program)
Hank Fergestrom (NELHA Cultural Advisory Board)
Ernest Kanaehailua (Royal Order of Kamehameha)
Sarah Peck (UH Sea Grant Extension service)
Cynthia Punihaole (Kukio fishpond and cultural program)
Hannah Springer (West Hawaii Fisheries Council)

DISCUSSIONS :

In preliminary discussions, Dale outlined some of the community development aspects that accompanied BPI/KBWF's pearl farm projects in Hawaii (pearl shell carving, reef restocking) and Marshall Islands (training farm workers, seeding technicians, and setting up a hatchery to supply other farms). Dale introduced the wider discussion by pointing out what worked and what didn't, and that, as biologists and business owners, their ability to set up and experience operating such programs is limited. Still, KBWF would like to see some broad benefits flowing back to the community from the fish hatchery and farm project.

Angel asked about KBWF's understanding of ceded lands issues, and how this might impact the project. Neil replied that he understood that the legislation specifies that 20% of the lease payments are to be directed to OHA. Angel pointed out that this usually goes into the General Fund, and that some undetermined proportion eventually goes to OHA. Very little of the OHA funds ever get back to the impacted community. Angel asked what would be some of the benefits that could have a direct impact on the community here in Kona.

Dale reiterated some of the potential benefits that would accrue from this project. In light of the increasing pressure on ocean resources, there are real environmental, economic and health benefits to be gained from developing a sustainable supply of seafood. This also reduces pressures on existing fish stocks. There is also significant potential for reef restocking programs, which must all be hatchery based.

Angel asked about the advantages to local markets, and benefits that could accrue locally. Dale replied that there could be fish made available locally – it is easier to sell fish locally than to ship overseas. At present, few locals can afford to buy local fish, because it is so expensive. This would help make fish more available locally. In essence, open ocean aquaculture could be considered just an offshore extension of the traditional Hawaiian fishpond operations.

Angel pointed out that fish ponds were community projects, run on a non-commercial basis. KBWF will be a commercial project. Neil indicated that, as with our pearl farm development work, we would also be looking here for opportunities for community benefits. This has always been the way BPI and KBWF have worked. Our applications for funding for hatchery research always emphasize the broader benefits of reef restocking or other such programs. We see two parallel paths here – one commercial, for the fish

farm, and the other non-commercial for the restocking, education or other non-profit work. Neil stated that they would like guidance on how to set this up and run it. Are there existing agencies that we could work with to do this?

Sue outlined some of the work that her group is proposing for a 200 acre area of DHHL property near Honokohau – a coalition of educational, cultural and agricultural/aquaculture interests are proposing to set up a mixed-use ahupua'a demonstration project. This could involve plant nurseries, OTEC agriculture, and aquaculture, as well as other commercial ventures. All agreed that this sort of operation would be a good vehicle to look at community involvement in reef restocking or educational programs.

Neil described the California model of fish hatchery and nursery operation, where Hubbs Sea World fish hatchery produces white sea-bas fingerlings, at about 1" size. Hatchery productions are paid for out of Federal, State, or foundation funds. These fingerlings are then distributed to Fishermen's Associations up and down the coast of California, who rear the fry in nursery cages in protected bays, or on disused offshore oil rig platforms. When the fish are large enough (4 – 6") they are released into the wild. All the participants in this program are very positive about its benefits. Neil asked if there were suitable vehicles here in whereby we might be able to partner in such a program for omilu, opakapaka, or other fish.

There was general discussion about ways that such nursery operations might be sufficiently incentivized to be self-sustaining, possibly through integration of subsistence uses of some of the products, or use of the nursery for grow-out of ornamental fish for either release, or sale to the aquarium industry. These operations could be set up as demonstration projects, and could work through marketing co-operatives. Possible venues were discussed – as well as Honokohau (Kealakehe), other possible sites mentioned included Punaluu, Honaunau, Milolii, Kealakekua Bay, Keauhou and Kailua Bays, Kukio, the Mauna Lani complex and Kawaihae.

Neil suggested that these subsidiary nurseries could also be supported by some proportion of the lease payments from the open ocean farm lease. While 20% of the lease payments goes to OHA, the other 80% is not dedicated to one use or another. If there was strong local support, then the lease might actually stipulate that some portion is to go to a reef restocking program. We would need community support to get such a provision written into the lease. Neil offered to seek more information on the possibilities (Aside: John Corbin of State Aquaculture Development Program later clarified the status of lease payments. The other 80% actually goes into the Special Land Development Fund for aquaculture purposes. This is administered by the Land Board, and there are no hard rules about how it is disbursed. Stock enhancement would be a valid use of these funds).

Angel indicated that perhaps OHA might also dedicate their share of the lease payments to local community-based programs like the reef stocking, and then both OHA and the State could become partners in the broader nursery / reef restocking program. The point was made that if the program relies on volunteer input, with no incentives for the participants, then it probably won't work well. There needs to be a shared vision where all participants are incentivized.

Angel said that this concept meshes well with some of the work he has been doing lately, with non-profit groups identifying sources for ongoing revenue, such that they are more sustainable. Angel will be receiving an award from Environmental Law Institute in D.C. for developing these concepts with Kohanaiki Ohana, and other groups. Rep. Patsy Mink will be collecting the award on his behalf.

Dale cited a similar example in Washington State where a forestry-focused environmental group bought a large tract of forest, and decided to log some portion of it, in an environmentally-sustainable manner, so that they could then derive enough revenues to support their conservation plans for the rest of the land.

All agreed that there had to be trade-offs in such situations. Ed and Angel both stated that they thought that native Hawaiian groups and other community organizations need to get more actively involved in economic development opportunities, to make sure that it happens in an acceptable manner.

Angel pointed out that while KBWF may not be required to conduct a Cultural Impact Statement, these issues still needed to be addressed. Dale and Neil agreed, and reminded everyone that that was our original purpose for these meetings – to obtain input from the community and the kupuna. We recognize the need to address the cultural and social impacts, and we would like to address these issues within the context of the EA that we are preparing.

There was a consensus that while these ideas should be further discussed and considered, that it was perhaps premature to begin now to set up the reef restocking efforts. KBWF has just started building their hatchery research facility, and it would be a long time before they are in a position to be able to produce large numbers of fry of the desired species. Nevertheless, we should begin to approach community groups and see if there is interest in participating, as the program develops.

Dale and Neil thanked everyone for attending, and for their input. Angel and Ed thanked KBWF for being willing to address these questions in a consultative manner. Neil offered to document these discussions, and to circulate them among the participants, and then, once approved, among the wider group of interested parties.

The meeting then adjourned, with no fixed date for further discussions.
