Starting out in aquaculture

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Concept to commercial

• Pathway to development
  – The right species
  – The right technology
  – The right people
Farmer Investor

Concept

Feasibility

Design

Build

Run

Market

Improve

Visualisation

NIWA
Taihoro Nukurangi
Visualisation

Understanding the scale of operation you are committing to

Only one of these is a commercial salmon farm
Why Aquaculture?

- Demand for seafood increasing but supply is stagnant = good market opportunity
  - Only if the market exists for your product at the right price

- Create local jobs for local people –
  - Only if they aren’t too expensive to employ
What will you farm?

FAO database lists over 400 species in culture worldwide

- The vast bulk of aquaculture production is composed of a small number of established species;

  30 species = 80% of production value
  25 species = 85% of production volume
Species

• Is there a market?
• Market value?
• Competition?
• Access to market?
• Is there established farming technology and husbandry?
• Can you see it working in NZ?
• Are the production costs known?
• Where can you get seed?
• Where can you get feed supplies?
• What are the costs of these?
How will you do it?

Technology selection:
• Land based or sea based – space available?
• Your experience – are you comfortable with the technology?
• Labour (ongoing costs) vs Technology (capital investment)

Site Selection
• Market access
• Access to resources (water, power etc)

The feasibility study will help to identify:
• Appropriate investment, at a commercial scale using the right technology
Farmer Investor

Visualisation

Farmer Investor Consultants

Species, Site, Technology, Market, Infrastructure, Economics, Consents

Concept

Feasibility

Farmer, Investor Consultants

Design

Build

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GO

Business Plan

NIWA Taihoro Nukurangi
Setting up a farm
Parting words

• Aquaculture, when approached properly offers a sound business model

But

• Don’t invest more than you can afford to lose – it is a high risk business
• R&D is expensive and risky – if your budget is limited stick to established technologies
• It will always cost more and take longer than you anticipate
• Costs go up and market prices go down
• Pay for good independent advice