



# British Columbia Aquaculture Regulatory Program Licensing Approach

Departmental Management Policy Committee  
June 17, 2011



# Status of Aquaculture Management in British Columbia

- The Department achieved major progress in the establishment of the British Columbia Aquaculture Regulatory Program:
  - Pacific Aquaculture Regulations published;
  - Canada/British Columbia Agreement on Aquaculture Management signed; and
  - 701 licences issued, staff hired and offices established.
- The program foundation is still being finalized, through:
  - A suite of policies, approaches and protocols to support delivery;
  - Licence fees (regulatory amendment required);
  - Integrated Management of Aquaculture Plans;
  - An Aquaculture Regulatory Information Management System; and
  - First Nations engagement strategy and management of First Nations litigation related to new license issuance.
- We are now also 6 months into program delivery, managing such things as:
  - Receiving licence-holder reports,
  - Commencing audits, inspections and other compliance and management activities,
  - Receiving applications for licence amendments and new licences.



## Purpose of today's presentation

- To provide highlights of the regulatory regime approach:
  - Overview of the overall management approach (Annex 1);
  - Environmental considerations in decision-making;
  - Licence-holder eligibility; and
  - Decision-making levels for policies and other documentation.
- To seek approval on the approach to licensing.
- To highlight upcoming events
  - Public reporting approaches and dates;
  - Initiation of comprehensive compliance and enforcement activities.





# Context: Overall Management Approach

- Aquaculture licences, issued under the Pacific Aquaculture Regulations, are the core management tool under the new regime, complemented by separate licensing of introductions and transfers for special conditions and other fisheries licencing (e.g., long-term access to wild resources such as geoducks).

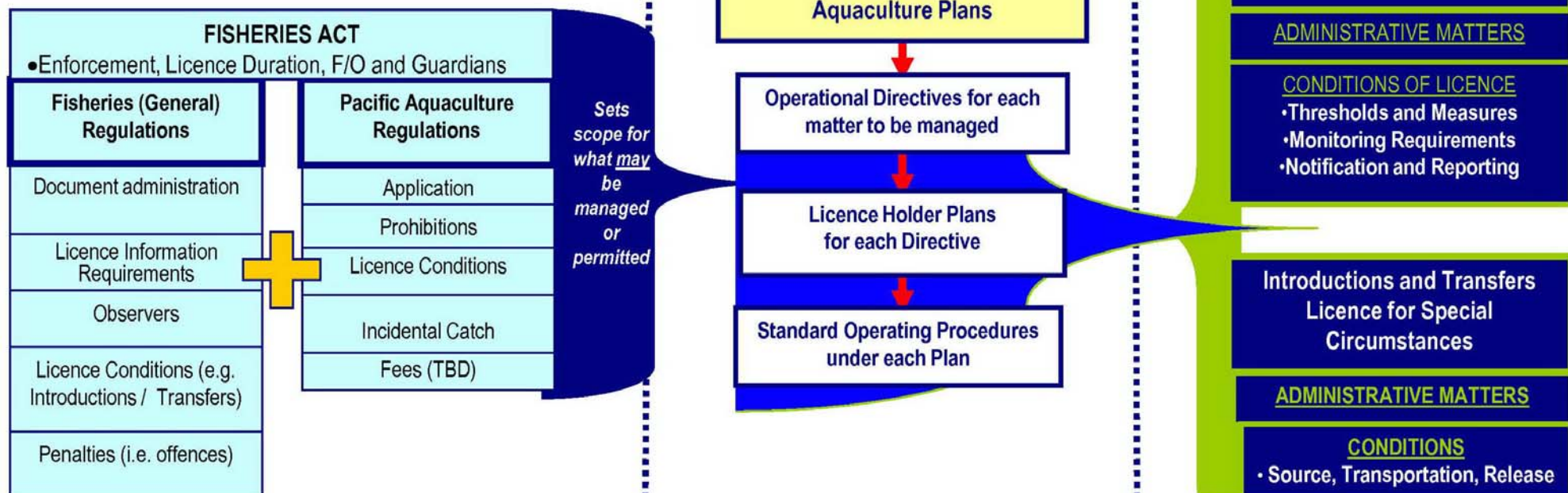
## AUTHORITIES

## GUIDANCE

## ENFORCEMENT TOOLS

### SUSTAINABLE AQUACULTURE (FISHERIES) FRAMEWORK

Conservation and Sustainable Use; Governance; Plans, Processes and Performance Monitoring; Operational Guidelines





## Context: Overall Management Regime

- A framework of interdependent policies and other documentation will guide licensing and management of the sector (Annex 1)
- When complete this framework will set out Departmental direction by, for example:
  - Delineating environmental and other information required from licence applicants;
  - Establishing licence holder obligations for matters such as environmental thresholds, preventative measures, environmental monitoring, specific reporting forms, etc.; and
  - Setting of priorities with respect to allocation of resources and effort.
- The presence of this explicit framework will support:
  - Consideration of impacts to other initiatives, sectors and regions in the setting of policy direction;
  - Consistency in operational decision-making; and
  - Public transparency.
- Decisions will be required on an ongoing basis on a variety of matters (Annex 2). The following considerations will be used in determining specific decision levels :
  - Complexity of issues to be considered;
  - Setting of Departmental precedence and the need to ensure coherence nationally;
  - Degree of expected public interest and potential challenge; and
  - Moving the decision down to the lowest level within the above considerations.





## Context: Environmental Considerations Managed within Regime

- Consistent with the approach to capture fisheries in British Columbia, the program has been designed so that habitat impacts are managed through the aquaculture licence with no separate *Fisheries Act* section 35 authorizations. As a result, in the context of aquaculture activities authorised under the Pacific Aquaculture Regulations, there is no longer a *Canadian Environmental Assessment Act* (CEAA) trigger associated with HADD authorisations.
- Instead, impacts to fish habitat and other environmental considerations are to be incorporated into the licensing and management regime:
  - For new sites, considerations will be undertaken through:
    - Internal review processes covering matters within DFO mandate (SARA, habitat, etc);
    - Consultations with other federal departments and with province;
    - Consideration of First Nations advice, and other consultative inputs;
    - Public posting of applications and decisions re new licences and requests for substantial change
  - For ongoing management, through conditions of licence; and
  - For area, cumulative and ecosystem effects, through Integrated Management of Aquaculture Plans and processes, as well as other Departmental planning processes.



# Licence Eligibility

- Eligibility for licences will be non-restrictive, consistent with Pacific Region's approach to fisheries licences and past provincial practice with respect to aquaculture:
  - In principle, any persons and organizations eligible to carry out business in Canada will be eligible to apply for licences;
  - There will be no foreign ownership restrictions;
  - There will be no restrictions on holding of multiple licences; and
  - No restriction on ownership of both fisheries and aquaculture licences.





# Policy Direction is being sought on licensing matters

## 1. Licence Application Reviews

– There are substantive policy issues:

- Focusing the priority for environmental risk assessments:

- Extensive licence reviews for aquaculture will involve risk assessments of potential environmental impacts, interdepartmental review, consultations, and posting of summaries of key information in licence applications as well as summaries of key information in decisions on licensing.

It is proposed that:

- This level of review be limited to the higher risk category of applications (i.e., new licences and applications where there is a potential for “substantial change” in the environmental impact. “Substantial change” will be defined as part of the sustainable use policies / approaches).
- This will allow dedication of resources to areas of highest risk, and will avoid re-direction of resources from other valuable management activities.

- First Nations engagement:

- First Nations expectations are for individual consultations on individual licences for all categories of applications, with shared decision-making.

It is proposed that:

- Engagement be focused on the higher risk category of licences (i.e., new licences and applications where there is a potential for “substantial change” in the environmental impact ), and that all engagement will be initiated on an area basis rather than licence by licence; however First Nations may seek licence specific consultations and their requests may need to be accommodated.
- Engagement on an area basis will be done through special First Nations bilateral and multisectoral engagement as will be determined in the coming months as well as Integrated Management of Aquaculture Plan advisory processes.





# Policy direction is being sought on licensing matters (con't)

## 2. Licensing Decisions during Cohen

- The Region is receiving applications for new licences and for changes to existing licences.

It is recommended that:

- Until the recommendations from the Cohen Commission have been considered, DFO does not intend to authorise any new marine finfish aquaculture operations".



## Policy direction is being sought on licensing matters (con't)

### 3. Licence conditions

- The Regulations set out areas where the Minister may set licence conditions (e.g. fish health monitoring, escape reporting, etc.). Leading up to December 2010, the Department established licence conditions for each sector (i.e. Marine Finfish, Shellfish, Freshwater, and Enhancement).
  - The decision on conditions was informed by prior practice, with any changes documented and justified.
- Consultations with respect to sustainable use policies and licence conditions have not yet been initiated
- While changing licence conditions may have environmental and other benefits, the changes often involve significant cost implications for licence holders and/or regulators. As well there may be negative environmental impacts in other areas.

#### It is therefore proposed that:

- Standardized licence conditions remain the same in 2011 unless a major new environmental or litigation issue is identified.
  - In the case of a significant new issue arising, we will return to the Deputy Minister's Policy Committee with advice on amendments.
  - This approach will maintain rigour in the amendment process; support transparent records of decisions; and maintain consistency between licences.
- Technical or minor changes to licence conditions (e.g., changes to sampling protocols) may be made with the approval of the RDG and ADMs of PP and EFM.





# Public Reporting

- Public Reporting is set to roll out:
  - DFO has signaled that public reporting of regulatory information will be increased to support transparency in governance and public and consumer confidence.
  - Virtually all regulatory data will be released including information received from licence holders, licence conditions, and DFO's documentation of its management regime and licensing decisions, with a few limited exceptions.
  - Objective is to commit to timelines for release of data that are as short as possible while providing time to ensure data accuracy and provide for translation. Longer times are expected up until Spring 2013 while the information database is developed.
  - The first new public reporting is set to begin this summer with the following information:
    - Targeted roll out schedule for increased reporting;
    - Finfish licence frontpage (e.g., production volume, species);
    - Marine mammals interactions data; and
    - Escape numbers.
- Monitoring:
  - The first major round of site inspections and compliance monitoring is beginning. This includes Conservation and Protection officers as well as Aquaculture Management staff, trained as guardians, who will carry out the more technical audits.



## Summary and Next Steps ...

- Decisions sought:
  - Extensive reviews be limited to the higher risk category of applications (i.e., applications for new licences and applications on existing licences where there is a potential for “substantial change” in the environmental impact);
  - Approach to First Nations engagement;
  - Decisions on marine salmon licences during Cohen recommendations can be considered;
  - Maintenance of existing standardized licence conditions until consultations are held, (except for technical or minor amendments).
- A second suite of regulatory management approaches and recommendations, focused on environmental management, is targeted for Summer, 2011. This includes such items as:
  - Management of Feed-related Organics
  - Management of Fish Health
  - Management of Sea Lice
  - Management of Light and Management of Noise Affecting Aquatic Ecosystems
- Longer-term policies and approaches will be developed under variable timelines. **These include such items as:**
  - Application of the Precautionary Approach
  - Revised National Access to Resources (fish, space) for Aquaculture Purposes





# ANNEXES



## Annex 1: Sustainable Aquaculture Framework for BC

- DFO established a national Aquaculture Policy Framework in 2002 to guide sustainable development of aquaculture in Canada. The Department has also established national site review guidelines, and an Access to Wild Fish Resources for Aquaculture Purposes Policy.
- A broader framework of policies and approaches is required to respond to the Court's decision that widened DFO's responsibilities in British Columbia, with BC-only approaches developed for certain areas (e.g., site review guidelines)
- In 2011, with new comprehensive regulatory responsibilities in British Columbia, DFO requires a broader range of policy and other guidance and tools to support implementation of the BC Aquaculture Regulatory Program in order to:
  - Set Departmental direction in key policy areas with national or other sectoral implications;
  - Set direction in other key areas with implications to resourcing and priority setting;
  - Establish approaches and other documentation to guide and assist staff in consistent delivery of their responsibilities;
  - Provide a transparent regulatory regime for licence holders, public and consumers.





## Annex 1: Sustainable Aquaculture Framework for BC (con't)

- **The Framework will house documents within 4 main sections**
  1. Conservation, Ecosystem and Sustainable Use
    - \* Application of an Ecosystem-Based Approach to (Aquaculture) Fisheries Management
    - \* Application of the Precautionary Approach to (Aquaculture) Fisheries Management
    - \* Management of Environmental Matters (*including Science/management context; direction re application information requirements, siting decisions and conditions of licence*):
      - Management of Feed Related Organics
      - Management of Non-Feed Related Organics
      - Management of Fish Health
      - Management of Sea Lice
      - Management of Light Affecting Aquatic Ecosystems
      - Management of Noise Affecting Aquatic Ecosystems
      - Management of the Transfer, Removal, & Production of Fish
      - Management of Access to Wild Fish Stocks for Aquaculture Purposes
      - Management of Chemicals
    - \* Approach to Identifying, Assessing and Managing Risks of Aquaculture Activities
    - \* Approaches with respect to Species at Risk
  2. Governance (e.g., Licencing, Traceability, Compliance Strategy, Access to Resources, Licence fees)
  3. Planning and Monitoring Guidance and Tools (e.g., IMAP guidance, Application templates)
  4. Operational Implementation (e.g., Standard Operating Procedures)



## Annex 1: Sustainable Aquaculture Fisheries Framework (con't)

- Different parts of the framework will be rolled out over time (Annex 1):
  - Suite 1 includes items with time sensitivities as a result of external commitments or operational requirements; approval is targeted for June.
  - Suite 2 includes items with respect to environmental management, that will serve to document DFO's approach and rationale for December 2010 licence conditions, engagement, etc.; approval is targeted for late summer 2011.
  - Suite 3, with variable targeted dates, includes items that are:
    - Less time sensitive;
    - Where more complex new analysis is required;
    - Where previous practice was not in place; or
    - Where fisheries/ecosystem integration is being considered.





## Annex 2: Decision-making under the BC Aquaculture Regime

***The following table provides examples of decision levels:***

<u>Examples of Decisions / Approvals</u>	<u>Recommended Decision-level</u>
Sustainable Use and Governance significant policy direction Descriptions of Sustainable Use and Governance approaches Technical policies, plans and protocols	Minister or Deputy ADMs PP & EFM; RDG Pacific ADMs PP & EFM; RDG Pacific
<i>Licensing applications</i> <ul style="list-style-type: none"><li>- New licences (new sites)</li><li>- Technical amendments to licence conditions specific to licence</li><li>- Administrative amendments (e.g., address change)</li></ul> <i>Public Reporting</i> postings <ul style="list-style-type: none"><li>- Analytical and performance reports</li><li>- Raw data for posting</li></ul>	RDG Pacific Pacific Director, Aquaculture Licensing officer  RDG Pacific Pacific Director, Aquaculture