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22nd August 2018,

Stakeholder Submission RE: Initial Full Assessment Report, Marine Harvest Canada's Wanx Tail farm, by DNV GL Business Assurance Norway, published 1st August 2018

Upon review of the draft Aquaculture Stewardship Council (ASC) audit for Marine Harvest Canada's Wanx Tail farm, we find DN GL has failed to comply with the ASC Certification and Accreditation Requirements (CAR) and the ASC audit manual for several Salmon Standard indicators.

Our comments and concerns are provided in detail below. We look forward to hearing how DNV GL will address these outstanding concerns. Furthermore, we ask that our stakeholder submission be included in the final published report.

Sincerely,

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Process Requirements

I. Farm eligibility and maturity of cycle

The ASC CAR states:

17.1.2: Organisations seeking certification **shall have been in operation for no less than eighteen months** (18) or one harvest cycle as defined in the standard(s), whichever is less ".

For clarity, the ASC provided an interpretation on "organisations" which is defined at the unit of certification (i.e. the farm).

Fish first entered Wanx Tail farm in September 2017, from the intermediary smolt farm Bell Island. At the time of the ASC audit, the farm had been in operation for only nine months. Therefore, the farm is currently ineligible for certification. A re-audit should be conducted when 17.1.2 is fulfilled.

Salmon Standard Requirements

The ASC CAR stipulates Conformity Assessment Bodies (CABs) must conform with the following audit process requirement:

17.3 Audit methodology

17.3.1 The ASC audit shall use the ASC Audit Manual as guidance for the standard(s) for which the client is being audited.

We find the auditor has failed to follow 17.3 for the following Salmon Standard indicators:

II. Indicators 2.1.1; 2.1.2; 2.1.3 Benthic monitoring

As per the ASC Audit Manual, compliance evidence for benthic criteria should be obtained in accordance with the sampling methodology outlined in *Appendix I-1 Sampling methodology for calculation of faunal index, macrofaunal taxa, sulphide and redox, and copper*.

The release of Salmon Standard Version 1.1 included changes to Appendix I-1. These included the following additional auditing guidelines:

Although the site visit should coincide with harvest period, it may be undertaken before end of harvest (at >75% peak biomass) and estimates of indicators requiring data from peak biomass / end of cycle provided in the draft report. The CAB shall review actual figures before the certification decision is made and include these figures in the final report.

Methodology for auditing indicators relating to peak biomass and end of cycle:

1) CABs shall carry out site visit audit at >75% peak biomass.

2) At the time of the audit the farm shall provide the CAB with estimates of values at that date for indicators that rely on information only available with the farm reaches peak biomass / end of cycle. The Farm shall provide the CAB with values of samples taken at peak biomass and end of cycle when they become available.

3) CAB shall raise a non-conformity for indicators where estimated values are used instead of actual values and note the estimated value in the draft audit report. It shall be explained in the draft audit report where figures are estimated and explain that these are to be updated in the final audit report.

4) CAB shall review the actual values and supporting evidence when they come back at peak biomass / end of cycle in order to make a certification decision.

5) CAB shall not make a certification decision and issue final report until actual values are provided for all indicators except biotic indicators 2.1.2 and 2.1.3.

6) In the case that biotic values are not available at the time of drafting the final report the CAB shall carry out a risk assessment to evaluate whether the biotic values are likely to meet the ASC standard. If the CAB finds evidence that the results of the biotic analyses are likely to meet the ASC standard then certification can be granted.

7) The CAB shall review biotic findings at the surveillance audit and raise non-conformities as appropriate when results have been found not meet the ASC standard.

The report states sampling was conducted at 75% peak biomass for the current production, with results pending. While Appendix I-1 allows for audits to occur at 75% peak biomass, the methodology still requires peak biomass values to confirm Standard conformance: "values and supporting evidence when they come back at peak biomass / end of cycle in order to make a certification decision". The audit report fails to mention if the farm will be again sampling at peak biomass, as per the rules, and if the auditor plans to close the non-conformities on receipt of the peak biomass results (as per 4 and 5 of the auditing guidelines). Certification can only be granted on receipt of actual peak biomass values for 2.1.1 that demonstrate compliance.

III. Indicator 2.2.3 For Jurisdictions that have national or regional coastal water targets...; and Indicator 2.2.4 Evidence of weekly monitoring...

The draft Wanx Tail audit report fails to reference or apply variance 198 to Indicator 2.2.3. VR 198 appropriately states,

"Chile and <u>Canada</u> are amongst the salmon production regions which <u>do not have such a</u> <u>national classification and therefore they are bound by indicator 2.2.4.</u>"

As acknowledged by the variance request, with no national water classification, Canadian farms are required to comply with Indicator 2.2.4. The Canadian Council of Ministers of the Environment (CCME) 2012 guidelines for water quality referenced here do not meet the definition of "national or regional water quality targets". The ASC standard identifies nitrate, phosphorus and chlorophyll A (footnote 16)

as the relevant nutrients for water quality targets. CCME guidelines only measure nitrate (as acknowledged in the draft report) and cannot be used as evidence of "national water classification".

VR 198 was approved by the ASC VR-committee on the 13th November 2016. As per the ASC's variance process, the reapplication of an approved variance occurs when a "certifier encounters an identical situation for which an earlier variance request has been submitted and approved".¹

The farm ought to be required to demonstrate compliance with Indicator 2.2.4; or an application should be made to apply the provisions of Variance 198 to this audit.

IV. Indicator 3.1.1 Participation in an Area-Based Management scheme.

The CAB incorrectly evaluates this indicator as "N/A" and states, "In this port Hardy area, all the sites are owned by Marine Harvest, and the closest farm site to Heath is Bull harbour. These two sites are coordinated as the same team manages them. The next nearest farm site after that is 25km away."

Yet the Salmon Standard requires all farms except those "that release no water" to participate in an ABM. Therefore, even farms within an area owned by the same company are required to participate in an ABM as outlined by the Standard. The audit fails to demonstrate how MHC meets all components of Appendix II-1.

V. Indicator 3.2.2 If a non-native species is being produced, evidence of scientific research [41] completed within the past five years that investigates the risk of establishment of the species within the farm's jurisdiction and these results submitted to ASC for review

Footnote 41 of Indicator 3.2.2, states:

"The research must at a minimum include multi-year monitoring for non-native farmed species, use credible methodologies and analysis, and undergo peer review."

Specifically, the audit manual's evidence of compliance for 3.2.2C requires CABs to:

"C. Confirm that the scientific research included: multi-year monitoring for non-native farmed species; used credible methodologies & analyses; and underwent peer review..."

¹ https://www.asc-aqua.org/what-you-can-do/get-certified/about-our-certification/

The auditor cites Andres (2015). Scientific studies show escapes remain a concern². The limited number of snorkel surveys actually conducted by Andres³ and his students, during the peak runs of other species, do not constitute 'monitoring'.

The ASC also requires:

... evidence of scientific research completed <u>within the past five years</u> that investigates the risk of establishment of the species within the farm's jurisdiction

Andres' surveys were completed in 2011 and 2012 - more than five years ago. DFO has not monitored for non-native establishment and, until recently, their Atlantic Salmon Watch program was defunct. A recent study found DFO wild salmon monitoring to be woefully inadequate, with around half of B.C. wild salmon streams not monitored⁴. In the absence of any monitoring at all on half of the streams known to support salmon, including those in the vicinity of Port Hardy, the potential to detect impacts from escapes is vastly reduced.

The Andres summary report is not peer reviewed, did not use a credible methodology and looked at only a limited number of Vancouver Island streams in both of the 2 years' field work reported. The only prior monitoring of those streams was conducted more than a decade earlier and it did find evidence of multiple year-classes of juvenile Atlantic salmon in two of those same streams.

No such scientific study, as required by the ASC, currently exists for the B.C. region. An independent scientific research study that is multi-year, with credible and appropriate methodology and analyses and underwent peer review should be required for B.C. salmon farmers to demonstrate compliance with Indicator 3.2.2.

² Volpe, J., B. Glickman et al. (2001). "Reproduction of aquaculture Atlantic salmon in a controlled stream channel on Vancouver Island, British Columbia." Transactions of the American Fisheries Society 130: 489-494.

Volpe, J., E. Taylor, et al. (2000). "Evidence of natural reproduction of aquaculture-escaped Atlantic salmon in a coastal British Columbia river." Conservation Biology 14: 899-903.

Fisher, A.C., Volpe, J.P. & Fisher, J.T. 2014. Occupancy dynamics of escaped farmed Atlantic salmon in Canadian Pacific coastal salmon streams: implications for sustained invasions Biol Invasions (2014) 16: 2137. doi:10.1007/s10530-014-0653-x

³ Andres, B. 2015. Summary of reported Atlantic salmon (Salmon salar) catches and sightings in British Columbia and results of field work conducted in 2011 and 2012. Can. Tech. Rep. Fish. Aquat. Sci. 3061: 19 p.

⁴ Price, MHH, English, KK, Rosenberger, AG, MacDuffee, M & Reynolds, JD (2017). Canada's Wild Salmon Policy: an assessment of conservation progress in British Columbia,

Canadian Journal of Fisheries and Aquatic Sciences, https://doi.org/10.1139/cjfas-2017-0127