

ATTN: Jean Ragg  
Fisheries & Aquaculture Administrator  
SAI Global Assurance Services  
Jean.ragg@saiglobal.com

8 June 2016,

**Stakeholder Submission RE: Initial Full Assessment Report, Cermaq Canada Ltd, Mussel Rock by SAI Global Assurances Services, dated 5 May, 2016 (Report code ASC029)**

Upon review of the draft Aquaculture Stewardship Council (ASC) audit for Cermaq Canada Ltd's Mussel Rock farm, conducted by SAI Global, the below-noted stakeholders have deep concerns about the robustness of the audit and believe that approving ASC certification of this farm would severely undermine the salmon standard established by the ASC.

We find the draft audit report to be insufficient in providing meaningful data and evidence that demonstrates the farm has successfully met the salmon standard criteria. In particular, we believe it would be irresponsible for SAI Global to grant ASC certification to farms that have broken the local regulatory requirements of their license (as per 6.4 (a) of the PAR).

Our comments and concerns are provided in detail below. We look forward to hearing how the SAI Global will address the outstanding concerns.

Sincerely,

Kelly Roebuck  
Living Oceans Society

John Werring  
David Suzuki Foundation

Stan Proboszcz  
Watershed Watch Salmon Society

Terry Tebb  
Pacific Salmon Foundation

Susanna Fuller  
Ecology Action Centre

Alexandra Morton  
Pacific Coast Wild Salmon Society

HEAD OFFICE  
Box 320  
Sointula, BC V0N 3E0  
Tel 250 973 6580

[www.livingoceans.org](http://www.livingoceans.org)

REGIONAL OFFICE  
Suite 2000 – 355 Burrard Street  
Vancouver, BC V6C 2G8  
Tel 604 696 5044 Fax 604 696 5045

[www.livingoceans.org](http://www.livingoceans.org)

## **I) Lack of Transparency of Farm-Level Performance Data**

As a stakeholder, we find the draft audit report to be insufficient in providing meaningful data and evidence that demonstrates the farm did successfully meet the salmon standard criteria. Appendix VII of the ASC salmon standard states, “The SAD SC believes that data transparency is critically important”. The table in Appendix VII lists the particular criteria that transparency is of importance. We have found the draft audit report fails to list a number of applicable data points listed within the table, for example, 2.1 and 2.2.

The report also fails to provide a summary of findings that is readable for stakeholders as per Annex C of the Certification and Accreditation Requirements (CAR).

## **II) Exclusion of harvest activities from initial audit**

The ASC CAR requires that *“the CAB’s initial audit shall include harvesting activities of the principle product to be included for certification”* (Audit Timing 17.4.2).

Alike all previous audits completed by the CAB (Doyle Island, Duncan Island, Marsh Bay and Monday Rock), the audit for Mussel Rock did not include harvest activities. We find this deeply concerning, as a number of the salmon standard criteria cannot be adequately assessed when the full production cycle has not yet been completed.

There is no evidence in the draft audit report that it would have been impossible to conduct the farm’s first audit in March-May of 2016 (assumed harvest time) and no adequate justification provided for conducting it earlier than specified in the CAR.

## **III) Closure of major non-conformities within three months**

Due to the ill timing of the audit, peak biomass sampling was not yet conducted for 2.1.1 d,g + 2.1.2 g, l + 2.1.3 b,c,d,e and was raised as a Major Non-Conformance. Page 8 of the draft audit states results were submitted, meeting the requirements to close the Major Non-Conformance. However, there are insufficient data and justification that demonstrates the farm did successfully meet the criterion (2.1.1 d,g + 2.1.2 g, l + 2.1.3 b,c,d,e), or that the required performance metric data for these has been submitted to the ASC. The closure timing is equally unclear: whether the ‘closure’ refers to the sampling completed on the 2<sup>nd</sup> and 3<sup>rd</sup> of March or the results of analysis. Therefore, it remains unclear if this Major Non-Conformance is legitimately closed.

## **IV) Major Non-Conformities that should have been included in the Audit**

### **a) Criterion 3.1.7 Sea Lice**

The ASC salmon standard sets a threshold of 0.1 mature female lice per farmed fish. Under Appendix 1 – *Variation Allowance*, of the audit draft report, the CAB allows for a previous Variance Request (#88) to be equally applied to the Mussel Rock farm. The variance defers to Fisheries and Oceans Canada’s (DFO) Pacific Aquaculture Regulations (PAR) requirements of 3 motile lice per fish.

The evidence below clearly demonstrates Cermaq's Mussel Rock farm failed to meet both the ASC standard and applicable domestic law thresholds, as well as their Conditions of Licence. Consequently, a variance based on the PAR would not sufficiently address this major non-conformity.

Mussel Rock breached the PAR 3 motile lice requirement in May 2015 with 6.6 *L. salmonis* motile per fish. It is worth noting the May 2015 count coincided with a DFO audit<sup>1</sup> which found a "reporting error" (the farms count: 1.7 motile per fish/ DFO count: 6.6 motile per fish). Therefore, it is reasonable to assume sea lice counts were likely above the threshold prior to May. High sea lice infestation counts continued throughout the sensitive wild salmon out-migration period (defined as March 1 – June 30 in the PAR) with the June count at 5.2 motile/per fish and July count at 6.7 motile/per fish. Finally, a SLICE treatment was applied between 21-27 July 2015<sup>2</sup>.

The following licence condition as per their Finfish Aquaculture Licence under the Pacific Aquaculture Regulations states:

*6.4 Beginning March 1, 2016, the licence holder must conduct sampling between March 1 and June 30 annually for the term set out in this licence. The licence holder cultivating Atlantic salmon and trout must carry out a sea lice abundance assessment every two weeks, at minimum, for fish held in containment structures for more than 30 calendar days. Where data collected in Appendix VI-A indicates the sea lice abundance threshold of three motile Lepeophtheirus spp. has been exceeded, the licence holder must:*

1. (a) ***within 15 calendar days*** of the discovery, implement a plan which will reduce the absolute sea lice inventory within the containment structure array; and

The farm clearly did not meet this PAR licence condition as the 21-27 July 2015 SLICE treatment was approximately two months after the initial threshold was found at the DFO audit in May 2015.

In addition, Appendix 1 incorrectly states that "only SLICE is allowed to be used" in B.C. On May 12, 2015, Health Canada<sup>3</sup> granted full registration for hydrogen peroxide for the treatment of sea lice in Atlantic salmon aquaculture sites. Prior to this date, B.C. salmon farmers, including Cermaq, could access hydrogen peroxide pending an application to the B.C. Ministry of Environment under the Integrated Pest Management Act to obtain a Pesticide Use Permit under the Integrated Pest Management Regulation Section 18.

#### **b) Criterion 8.4g Maximum Phosphorus Released by Hatchery**

Criterion 8.4g requires a 5kg/mt maximum total amount of phosphorus released into the environment. Boot Lagoon Hatchery is clearly above this limit at 8.33 kg/mt and therefore should be raised as a Major Non-Conformance.

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<sup>1</sup> <http://www.pac.dfo-mpo.gc.ca/aquaculture/reporting-rapports/docs/lice-pou/2015/Q2-T2/A-eng.pdf>

<sup>2</sup> <https://www.cermaq.com/wps/wcm/connect/msca-content-en/mainstream-canada/aquaculture/sea-lice-monitoring/2015/musselrock-sealicedata>

<sup>3</sup> [http://www.hc-sc.gc.ca/cps-spc/pubs/pest/\\_decisions/rd2016-18/index-eng.php](http://www.hc-sc.gc.ca/cps-spc/pubs/pest/_decisions/rd2016-18/index-eng.php)

## **V) Minor Non-Conformities that should be included in the Audit**

### **a) Criterion 5.1.6 Unexplained Mortality**

The auditor states on page 27, “There have been no exceptional events”. The CAB fails to mention a “high mortality event” at Mussel Rock farm on October 25 2015 in which Cermaq was required to notify DFO<sup>4</sup>. The notification states a total of 25,750 kg of dead mortalities occurred over a 24-hour period.

### **b) Criterion 2.2.3 and 2.2.4 Water Quality**

The indicator for Criterion 2.2.4 requires... “evidence of **weekly** monitoring of nitrogen **and phosphorous** levels...”. There are no data and justification that adequately demonstrates the farm did successfully meet the salmon standard criteria 2.2.4. As per previous audited farms, weekly monitoring of phosphorous levels is not a legal requirement by DFO and therefore we question whether Mussel Rock is meeting this salmon standard criterion.

For criterion 2.2.3, the CAB states “Documented evidence in the shape of a report authored by Dr Steve Cross was submitted” and that water quality in Clayoquot Sound is “good”. No such report could be found. We request the report be made available for stakeholder review.

### **c) Criterion 2.5 Interaction with Wildlife**

On December 3 and 16 2015, a total of 15 California sea lions were lethally shot at the neighbouring Cermaq owned Binns Island farm,<sup>5</sup> in Clayoquot Sound. The statement released by Cermaq states the sea lions breached both the farm’s predator guard and the perimeter jump fence. The inner containment nets also had “significant damage”.

Given this neighbouring farm’s failure to prevent marine mammals from breaching the farm, it begs the question if the same failure could occur at Mussel Rock. We request clarification on Mussel Rock’s predator nets, guard, fencing and whether these are the same as the Binns Island farm. If so, we request the CAB raises a Non-Conformance and require Cermaq to undertake corrective and preventative actions. This is in line with SAI Global’s request to Marine Harvest Canada’s Marsh Bay farm<sup>6</sup>, which (in addition to Marsh Bay’s mortalities) referred to the failure of another MHC site (Doyle Island) to prevent sea lion mortalities.

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<sup>4</sup> <http://focs.ca/wp-content/uploads/2015/10/Cermaq-die-off2.jpg>

<sup>5</sup> <http://www.cermaq.com/wps/wcm/connect/58745a12-812c-45f3-94cb-cacf85e069d8/2015-12-22+Marine+Mammal+Interactions+at+Cermaq+Canada.pdf?MOD=AJPERES>

<sup>6</sup> <http://www.asc-aqua.org/upload/Notice%20of%20Suspension%20-%20ASC002%20MHC%20Marsh%20Bay%20-%20March%202016.pdf>