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9th October 2018,

Stakeholder Submission RE: draft Initial Full Assessment Report, Marine Harvest Canada's Midsummer farm, by SAI Global, published on the ASC website 18th September 2018

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

According to the draft audit report, Midsummer has breached their licenced biomass. In addition, we believe it would be irresponsible for SAI Global to grant ASC certification given the clear opposition of fish farms by the First Nations of the territory in which the Midsummer farm resides. Therefore, the certification would undermine the credibility of the ASC, the salmon standard and SAI Global.

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

Sincerely,

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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:

I. Indicator 1.1.1 Presence of documents demonstrating compliance with local and national regulations and requirements...

The audit report provides the following evidence for indicator 1.1.1:

“Department of Fisheries and Oceans Canada (DFO) issued an aquaculture license on July 1st 2016 which expires on June 30th 2022. (AQFF 115233 2016/2022). This sets a maximum combined peak biomass of 2500 tonnes of Atlantic Salmon”

DFO’s list of current valid marine finfish B.C. aquaculture licence holders confirms MHC’s Midsummer farm is licenced for 2,500mT.¹

However, the audit report lists the estimated annual production volumes of the unit of certification of the current year (6.5) to be 3,075mT. Therefore, Midsummer farm is in breach of their maximum combined peak biomass as per their licence and therefore does not conform to indicator 1.1.1.

II. 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 Midsummer farm audit report fails to reference or apply variance 198 to Indicator 2.2.3. VR 198 appropriately states,

“Chile and Canada are amongst the salmon production regions which do not have such a national classification and therefore they are bound by indicator 2.2.4.”

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)

¹ <https://open.canada.ca/data/en/dataset/522d1b67-30d8-4a34-9b62-5da99b1035e6>

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”.²

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.

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

The CAB incorrectly evaluates this indicator as “compliant” and states, “Marine Harvest Canada is the only farming company with sites in this particular area of the Broughton”.

The Salmon Standard Appendix II-1 specifies the following definition of “area”:

“II-1. A Definition of “area”

If area-based management is already a regulatory requirement of the farm’s jurisdiction, then farms will use this definition of “area” for the purposes of these requirements. In jurisdictions where ABM is not a regulatory requirement, the area covered under the ABM must reflect a logical geographic scope such as a fjord or a collection of fjords that are ecologically connected. The boundaries of an area should be defined, taking into account the zone in which key cumulative impacts on wild populations may occur, water movement and other relevant aspects of ecosystem structure and function.”

Considering the key cumulative impacts on wild populations, which would include the potential disease and pathogen impacts, Midsummer farm resides near juvenile salmon migration routes that are shared with several other salmon farms. Figure 1 illustrates the key migration routes.

² <https://www.asc-aqua.org/what-you-can-do/get-certified/about-our-certification/>

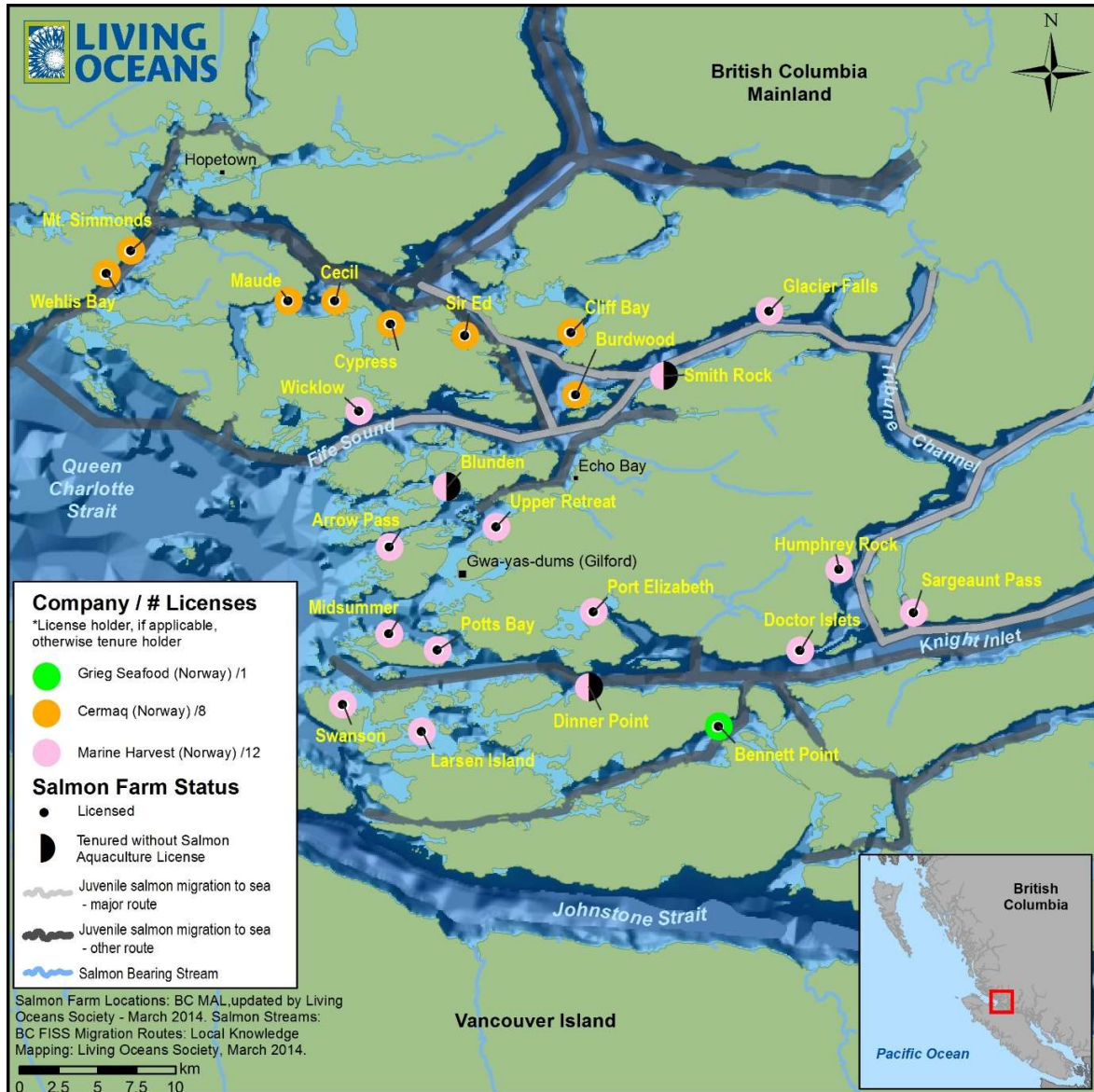


Figure 1. Broughton Archipelago salmon farms. Source: Living Oceans Society. Note: since the creation of this map, two new Grieg Seafood farms were established in Clio Channel (near the location of their 'Bennet Point' farm).

Figure 2 illustrates the collection of narrow and confined fjords the three companies share that encompass Knight and Kingcome Inlets.

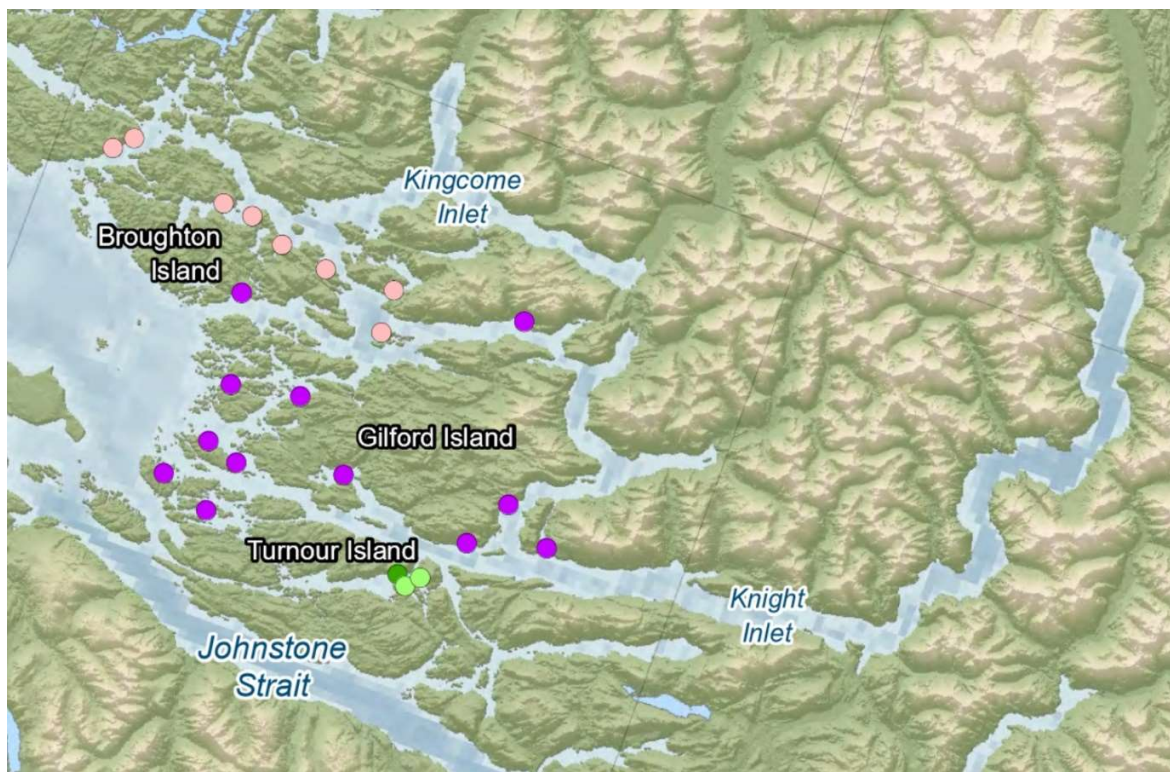


Figure 2. Broughton Archipelago salmon farms. Source: DFO. Legend: Purple = Marine Harvest; Pink = Cermaq; Green = Grieg Seafood

Particle disbursement modeling conducted at Broughton Archipelago farm sites indicate the potential for long-range transportation of particles exists and is influenced by a number of factors.³ Linear distance alone is a poor indicator of the “zone in which key cumulative impacts on wild populations may occur”. The results show transfers between multiple farms with yellow to red demonstrating the connectivity (with red being the greatest) as per figure 3.

³ DFO 2018. Assessment of the Ability of Hydrodynamic and Particle Tracking Models to Inform Decisions on Siting and Management of Marine Finfish Aquaculture Facilities in British Columbia. CSAS Report 2018/023. May 2018. http://www.dfo-mpo.gc.ca/csas-sccs/Publications/SAR-AS/2018/2018_023-eng.pdf

capture farm	release farm																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	29863	4078	2372	135	339	25	85	28	3	14	118	1	3	13	25	1	4			
2	282	32400	3032	4	47	82	205	5	9	96	442		3	3	180	11	11	2		
3	236	833	22134	20	80		3	3		1	14	1		1	1					
4	1241	311	363	23133	64		1	20				5	4	4						
5	1030	369	448	620	21784	1	2	281	51		2	121	61	148	7	1				
6	29	14	16	41	14	32400	390	294	339	463	665	158	255	322	1445	41	33	6	10	20
7						8	32400			517	225				265	801	1078	521	86	31
8	1887	640	528	3241	954	69	81	32400	3576	103	322	3284	2595	9972	795	4	1		1	1
9	50	9	19	85	25	111	120	429	32400	137	454	231	323	548	968	10	5			
10		2	2			13	585	2	4	19473	471		1	1	322	86	74	22	5	6
11	4	218	190	2		346	982	40	85	616	16899	13	34	53	877	87	98	28	9	13
12	291	64	69	416	814	3	1	943	229	1	6	15775	1383	517	38					
13	528	147	181	808	393	5	5	2113	850	12	32	4770	15449	1437	88	1		3	7	
14	1403	464	380	2337	681	39	48	12473	3068	71	227	2755	2365	32400	565	5	1		2	2
15	4	58	61	14	5	883	1865	156	213	2165	5917	85	127	190	32400	211	221	53	31	34
16						96	136	4	11	23	16	1	12	10	20	21945	10017	5482	2058	908
17				1		36	9	4	3	1			6	6	2	2014	12431	4827	658	381
18						17	4	1					3	7		1164	1641	19349	289	169
19	4	1	3	9	1	805	36	112	164	16	28	90	140	178	69	1850	1016	656	32400	10229
20	21		4	11	2	1125	31	160	195	19	31	150	197	236	100	1274	689	459	14866	32400

Figure 3. Particle modelling connectivity between Broughton Archipelago salmon farms. Source: DFO
Legend: Connectivity range – Blue (none) to Red (very high).

As study of Broughton Archipelago estuarine and tidal currents observed “the bottom estuarine flow in Knight Inlet actually comes from Queen Charlotte Strait via the “back-door” of Fife Sound and Tribune Passage” and that “the surface estuarine flow coming down Knight Inlet bifurcates with part going down Tribune Channel and Fife Sound and part continuing down Knight Inlet”.⁴ The authors conclude “Consequently, these surface flows can be expected to have important implications for the potential interactions (e.g., transfer of sea lice and viruses) between farmed and wild salmon”.

Located within the critically important migration route of wild salmon, the collection of narrow and confined fjords including the Knight Inlet, Tribune Channel and Fife Sound (and their tributaries) in the Broughton Archipelago meet the boundary definition of “area” as per the ASC salmon standard Appendix II-1.

Compliance with salmon standard indicator 3.1.1 should therefore be determined on the basis of the Broughton Archipelago “area” and as per Appendix II-1. B Requirements related to participation in the scheme, compliance requires that at least 80 percent of farmed production in the Broughton is participating in the ABM scheme. Compliance with this indicator would require MHC to demonstrate co-

⁴ Foreman, M, Stuchhi, D, Zhang, Y & Baptiste, A 2005. Estuarine and Tidal Currents in the Broughton Archipelago, *Atmosphere-Ocean*, vol. 44 <https://doi.org/10.3137/ao.440104>

ordination with Cermaq and Grieg Seafood for the following ABM components and guidance, as per Appendix II-

1.C ABM components and guidance:

1. Application and rotation of treatments;
2. Stocking;
3. Fallowing;
4. Monitoring schemes; and
5. Setting and revising a maximum ABM lice load.

Furthermore, the audit report refers to Variance Request 145 for indicator 3.1.1 in aim that MHC can simply defer to current DFO management in the absence of an ABM scheme. The Variance (#145) refers to a different BC salmon farming company, Mitsubishi/Cermaq and their farms located in a different area, Clayoquot Sound. Mitsubishi/Cermaq are the only company in Clayoquot Sound north of Tofino. This is unlike the MHC Broughton farms where other companies operate (as discussed above), therefore requiring area-based coordination beyond company best management practices and DFO management. The variance is also specific to the ABM stocking requirement only.

Consequently, we submit the quoted variance request (145) is not applicable, as per our reasons outlined above.

In addition, we provide evidence in the form of a recent peer review study that shows DFO's management policy to be inadequate for meeting ABM requirements for the application and rotation of treatments.

Appendix II-1 (Application and rotation of treatments) states: "Farmers must be able to demonstrate a coordinated treatment plan and evidence that the schedule and rotation of treatments are being implemented."

Analysis by Bateman et al. (2016)⁵ suggest the combination of unusual environmental factors and delayed management action by farms contributed to the factors leading to the 2015 Broughton Archipelago sea louse outbreak. The study found DFO sea lice management policy to be "not sufficient" and instead recommended a cooperative coordinated ABM approach be adopted. Specifically, the study observed a lack of coordination between farms, as demonstrated by the offset treatment schedules at some farms, including those owned by the same company.

Therefore, in the absence of a relevant variance request, and most notably, in the absence of participation in an ABM scheme (as detailed in Appendix II-1), Midsummer does not conform to Indicator 3.1.1.

⁵ Bateman, A, Peacock, SJ, Connors, B, Polk, Z, Berg, D, Krkošek, M & Morton, A 2016, 'Recent failure to control sea louse outbreaks on salmon in the Broughton Archipelago, British Columbia', *Canadian Journal of Fisheries and Aquatic Sciences*, vol. 73(8), pp.1164-1172.

IV. 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

The audit report fails to provide “evidence of scientific research completed within the past five years that investigates the risk of establishment”. Instead, the auditor notes state:

“Atlantic salmon has been farmed in BC since 1985, prior to 1993, when the convention on Biological Diversity was ratified and prior to June 13th 2012 when the ASC standard V1.0 came into force.”

Footnote 41 of Indicator 3.2.2, states the following requirement:

“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...”

Furthermore, 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.

V. Criterion 7.2 Respect for indigenous and aboriginal cultures and traditional territories (Indicators: 7.2.1; 7.2.2; 7.2.3) & Criterion 7.3 Access to resources (Indicators: 7.3.1; 7.3.2)

While the audit report acknowledges the local First Nation opposition to the Midsummer farm and that “regular monitoring in order to confirm compliance is required” – it fails to provide evidence of an ‘active process’ or ‘continued consultations’ as instructed by the Standard and audit manual (7.2.3); instead, the auditor notes any “engagement” has been obstructed by “legal routes”. Despite this, indicator 7.2.3 is still listed as “compliant”.

It appears the intent of criterion 7.2, to address potential negative impacts on indigenous communities by ensuring proactive consultation and protocol agreements, becomes moot in circumstances where First Nations adamantly oppose salmon farming in their traditional territories. In practice, the criterion only appears to ‘work’ when Indigenous groups are willing to engage with salmon farming within their territory. Granting certification to Midsummer farm that does not have Indigenous consent to operate

in their traditional waters is misrepresenting the Standard's claim to be 'socially responsible' in regard to respecting First Nations' rights and title.