

1. EXECUTIVE SUMMARY

Agencies with key functions relative to the aquaculture sector include the Ministry of Agriculture, Food and Fisheries (MAFF), the Ministry of Water, Land and Air Protection (MWLAP), the Ministry of Sustainable Resource Management (MSRM), Land and Water British Columbia (LWBC) and Fisheries and Oceans Canada (DFO).

The key development in 2002 relative to our compliance and enforcement program was implementation of a Service Agreement between MWLAP, MSRM, LWBC and MAFF. The Service Agreement co-ordinates responsibilities between these agencies to reduce duplication of effort, increase efficiencies and demonstrate a strong integrated and accountable compliance and enforcement regime. Details of the Service Agreement and enforcement matrix are provided later in this report and provide the rationale for the first joint report on compliance and enforcement for finfish aquaculture.

For the purpose of this Service Agreement, MAFF has the lead role in compliance and MWLAP the lead role in enforcement. As part of MAFF's commitment to this Service Agreement, for 2002, MAFF Inspectors completed the first round of MWLAP-related inspections at 24 salmon farms. During site inspections, MAFF Inspectors examined MWLAP responsibilities relating to protection of the marine environment, including:

- waste discharges;
- storage and discharge of mortalities;
- handling of blood water;
- disposal of refuse; and,
- licensing and use of fire arms.

The BC *Fisheries Act* and *Aquaculture Regulation* are administered by MAFF, which has the responsibility to regulate operational aspects of salmon farming, including the following activities:

- escape prevention and escape response;
- farm record keeping requirements;
- net maintenance activities;
- general farm site operations; and,
- compliance with licence terms and conditions.

Pursuant to the new Service Agreement and MWLAP's role as the lead agency for enforcement, between March, 2002 and March, 2003, a total of 18 case files were referred to MWLAP by MAFF Inspectors for follow-up and investigation.

Important changes to the *Aquaculture Regulation* were also made in 2002. Prior to October 31, 2000, regulatory requirements related to escapes and farm practices were fairly general. The regulation required a licence holder to take reasonable precautions to prevent the escape of fish and to report escapes. In the absence of more detailed regulatory requirements, MAFF Inspectors had to review on-site activities and subjectively determine if those activities were consistent with known industry standards in order to assess the state of compliance.

In recent years, the *Aquaculture Regulation* has been amended twice in an effort to provide more specific standards and guidelines that could be effectively used to measure the state of industry compliance. The first of these amendments was introduced on October 31, 2000. On April 19, 2002, further changes were introduced that built on the previous regulations. Some of the more substantive changes included in the April 2002 amendment package are described on page 14 of this report.

For the 2002 inspection cycle, MAFF completed inspections at 85 active salmon farms operating on 82 tenures. Overall, Inspectors found compliance with new regulatory requirements was above 90 percent. There are still, however, areas where improvements are required. Some of these relate to farm site operations, such as failure to secure the water line ropes, failure to provide proper signage at designated dock sites and failure to conduct net inspections prior to the introduction of fish.

In other cases, there was non-compliance with record keeping requirements, in particular net maintenance and history records. Much of the non-compliance encountered relating to record keeping requirements could be attributed to industry not having the opportunity to comply with the new standards that were introduced in the regulatory amendment of April 2002. The specifics of non-compliance in this area included failure to properly tag nets, lack of information on the last out-of-water servicing and failure to keep some of the required records at the farm site.

Another area of non-compliance pertains to failure of some licence holders to ensure that escape recapture plans include arrangements to obtain prior approvals for any attempted recapture. To facilitate industry meeting this requirement, DFO developed a ZZA licence specifically for the recapture of escaped Atlantic salmon. The licence is not site specific and is issued to a company. The ZZA licence at the present time is only issued for the recapture of Atlantic salmon and there are specific licence conditions that the holder must meet in order to obtain, and fish under, this license. During the 2002 inspection cycle, none of the 15 eligible companies had applied for this ZZA licence.

Inspectors found a high compliance level to general licensing requirements as well as to any related special provisos attached as licence conditions. The 2001 annual report described results based on the broad category of "Management Plan" compliance. For 2002, compliance results are broken down into specific areas, namely the four management plan categories that are assessed on site: possessing a current licence, having appropriate licensed species on site, maximum production or biomass, and, finally the configuration of the site in question relative to placement of net cages, etc. One area of improvement in 2002, over findings in 2001, was a higher number of operations which were compliant with biomass levels identified in the site-specific management plans. The one aspect with the overall highest non-compliance rate, and where improvements over 2001 were not evident, was consistency between what was approved in the management plan for site configuration, (the number and size of net cages on site), and what was actually observed on site.

At the time of writing this report, management plan amendment applications have been submitted by companies for the majority of the sites in question. In some cases, amendment applications were submitted well before the site inspection date but had not been approved at the time of inspection. These amendments, once approved, should address the noted non-compliance issues. The high level of non-compliance in this area is generally attributed to companies which introduce changes on-site before the approval process is completed. Companies have criticized MAFF for the amendment procedures that the companies feel are burdensome, untimely and do not meet their operational needs.

Analysis is underway to review public interest objectives relative to management plan elements. MAFF will continue to monitor management plan elements to ensure compliance in these areas pending further policy development in this area. More discussion on this issue can be found in Section 5C of this report.

As noted earlier, MAFF conducted a total of 24 inspections to determine compliance with MWLAP regulatory requirements. For the 2003 inspection cycle which is well underway, MAFF inspection staff will be assessing MWLAP regulatory issues for all sites.

Results of the 2002 inspection cycle indicate, in general, a high level of compliance for the 24 sites inspected. Companies and sites inspected for MWLAP areas of responsibility are provided in **Appendix 8**.