



July 31, 2007
File: 0280-30
Ref: 152230

MAL Ref: 1893

Gordon Tseng
CEO
Poseidon Bio Aqua Inc.
6969 Halligan St
Burnaby BC V5E 1R4

Dear Mr. Tseng:

I am writing to advise you of my decision on your application made to operate an aquaculture facility at 21422 4th Avenue, Langley, British Columbia. Based on the information and considerations outlined below, I have decided to issue you an Aquaculture Licence.

1. Application

A completed Management Plan, Application for Commercial Aquaculture Licence and fees were received at the Ministry of Agriculture and Lands' Courtenay office on March 01, 2007.

2. Legislative Authority

Section 14 of the *Fisheries Act* (R.S.B.C. 1996, c. 149) authorizes the Minister responsible for the *Fisheries Act* to issue Aquaculture Licences. Authority for the *Fisheries Act* rests with the Minister of Agriculture and Lands. As I was appointed Minister of Agriculture and Lands by the Lieutenant Governor on June 16, 2005, I have the authority to decide upon your license application.

3. Policy Guidelines and Other Considerations

In processing and assessing your licence application, I have been guided by the following considerations:

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- Principles of fairness, transparency, efficiency and accountability.
- Consideration of the public interest, having regard to:
 - protection of public health and safety;
 - protection of the environment; and,
 - sustainable economic development.
- Recent release of the report of the Special Committee on Sustainable Aquaculture (SCSA).

4. Information Considered

In reviewing this application I have considered:

- The application made by Poseidon Bio Aqua Inc.
- The other documents in the Ministry licensing file Reference Number 1893 that are related to the above-mentioned application and that pertain to the review by the Ministry, including the Aquaculture Development Assessment Report and the Aquatic Organism risk Analysis: Introduction of the Whiteleg Shrimp (*Litopenaeus vannamei*) to a Proposed Close-Recirculation Aquaculture Facility on the Lower Mainland, British Columbia.
- Discussions with professional staff of the Ministry on their review of the merits of the application that took place July 26, 2007.
- Recommendations of the SCSA.

I am satisfied that the officials who conducted the review of the application have done a thorough and complete technical assessment. They have made findings based on this assessment and their expertise. I accept these findings and have taken their recommendations into account in making my decision.

5. Suitability of Proposed Operation

Poseidon's plan proposes to convert a vacant greenhouse on private land at Langley, British Columbia into a state-of-the-art closed containment facility, in which tanks filled with artificial seawater are used to raise shrimp for the North American seafood market. The facility will use recirculation and waste recovery technology such that little or no effluent will be discharged to the environment. The seed stocks to be used are larval whiteleg shrimp imported from a producer in Hawaii that meets international standards for fish health certification under specific pathogen-free designation. Marketable product will be sold fresh to federally/provincially-licensed fish processors for distribution to the consumer markets.

Staff advise that Whiteleg shrimp are exotic to British Columbia and as a result, a risk analysis of the proposal was undertaken in accordance with the National Code on Introductions and Transfers of Aquatic Organisms. The risk analysis considered the biological consequences of introducing whiteleg shrimp under the conditions of the proposal. I understand that the Risk Analysis was completed in June 2007 and concluded that importation of this tropical shrimp species to a land-based, closed recirculation facility in British Columbia posed a low risk to native species and their ecosystems, providing all systems and mitigators are in place, monitored and maintained. Introduction and Transfers Committee supports importation of whiteleg shrimp to closed-containment facilities under the condition that the operator complies with all regulations under permits from the competent authorities.

I note that after a comprehensive review and analysis of this proposal, staff biologists supported approval of the application on June 18, 2007. I accept these findings and have taken their recommendations into account in making my decision.

6. Land Use and Zoning

I have been advised that the land is owned fee simple and is in the Agricultural Land Reserve. The Agricultural Land Commission has been advised of the application and has confirmed that shrimp farming is an approved use of land in the Agricultural Land Reserve. Staff also assure me that the greenhouse is 9 kilometres from the 200-year flood plain designation and behind the protective dyke system of the Fraser River.

7. Public Review by other government agencies and third parties

- Ministry of Environment – no concerns as the Ministry of Environment Land-Based Finfish Waste Control Regulation does not apply to shellfish.
- British Columbia Introductions and Transfers Committee – risk assessment completed June, 2007 and accepted by the Committee. Permit will be issued pending the issuance of an Aquaculture Licence.

8. Past or Demonstrable Performance of the Applicant

Staff advise that Poseidon is a British Columbia subsidiary of Navigator Biotechnology Co. Ltd. based in Chunan, Miaoli, Taiwan. The company has been in existence for six years. They currently farm shrimp in open ponds in Malaysia and have two closed-containment facilities covering five acres in Taiwan that produce 30 tonnes of shrimp per month. Their technology and fish health division is made up of three PhD's, four certified technicians and one engineer. They have been successful in mapping the genome of whiteleg shrimp and so are able to select for disease resistance and optimum growth.

Based on input and recommendations from Ministry personnel, I am satisfied that Poseidon has the required expertise and meets past performance requirements.

9. Economic and Employment Benefits

Upon start-up, the proposed farm will employ 10–20 people and when fully operational, will employ 50-100 people. The operation will have direct input into the local economy and has the potential to bring a new and economically beneficial industry to British Columbia.

10. Special Committee on Sustainable Aquaculture

On May 16, 2007, the SCSA submitted its report to the Legislative Assembly. The SCSA's work took 18 months, involved public meetings in 21 communities and 814 written submissions.

The SCSA report makes over 50 recommendations. They are far-reaching, and affect the mandates of four provincial ministries and four federal departments. While these recommendations will require time for government to fully consider and respond, it is already clear that their adoption would require considerable policy and possible legislative changes to implement.

I recognize that the policy environment in British Columbia may change as a result of these recommendations. While the SCSA recommendations may ultimately lead to changes in the policy and legislation governing aquaculture, I will not speculate on possible changes at this time.

I evaluated this application on its technical merits and the current legislative and policy framework. I believe those to be essentially sound and I find nothing in the recommendations that cause me to refuse this application.

11. Decision

Based on the information and considerations described above, I am issuing an Aquaculture Licence under the *Fisheries Act* to operate an aquaculture facility at 21422 4th Avenue, Langley, British Columbia to Poseidon Bio Aqua Inc. The licence authorizes Poseidon to cultivate whiteleg shrimp (*Litopenaeus vannamei*) to a total maximum annual production of 40 metric tonnes, as per the Management Plan for the site recommended by Ministry biologists dated June 18, 2006. Your licence will be subject to the terms and conditions of the Aquaculture Licence and a number of special provisos, including some that are specifically designed to prevent the importation of pathogens and parasites into British Columbia.

Your licence for the site is enclosed.

Sincerely,

Original Signed by

Pat Bell
Minister

Enclosure

pc: Jim Russell, A/Director
Fisheries and Aquaculture Licensing and Compliance Branch