STATEMENT OF DECISION

APPLICATION TO VARY AN AQUACULTURE LICENCE

File Number:

L13/18

Applicant:

Abrolhos Island Oysters Pty Ltd

Application Date:

2 October 2020

Application Type:

Variation of an Authorisation

This Statement of Decision should be read in conjunction with the document entitled Assessment Criteria for the Grant or Variation of an Aquaculture Licence – Explanatory Notes, which provides explanations, comments and additional information relating to Statements of Decision made in respect of applications for grant or variation to aquaculture licences. The document is available at:

http://www.fish.wa.gov.au/Documents/Aquaculture/sod assessment criteria explan atory notes.pdf

1 DETAILS OF THE APPLICATION

Background facts

Abrolhos Island Oysters Pty Ltd ("AIO") (ACN 616 079 059) is the holder of Aquaculture Licence No. 1654 ("the Licence").

The Licence authorises the culture of rock oysters (Saccostrea spp.).

Pursuant to the Licence the authorised site includes two areas of water of 95.380 hectares and 20.418 hectares within the Pelsaert Island Group at the Abrolhos Islands (Attachment 1).

Details of the Licence variation application

On 2 October 2020, AIO made an application to the CEO of the Department of Primary Industries and Regional Development ("Department") under s.142 of the Fish Resources Management Act 1994 ("the Act"), for the variation of its aquaculture licence. The application fee, an updated Management and Environmental Monitoring Plan and additional information were submitted with the application.

The application seeks to vary the list of species authorised to be cultured (in Schedule 1 of the Licence) to include the following:

- saucer scallop (Ylistrum balloti);
- commercial scallop (Pecten fumatus);
- austral scallop (Chlamys australis);
- doughboy scallop (Mimachlamys australis); and
- Akoya pearl oyster (Pinctada fucata).

The application, also seeks to add a nursery site to the Licence for the growout and monitoring of spat. The proposed site is located in the Pelsaert Island Group at the Abrolhos Islands and initially comprised an area of 0.209 hectares (**Attachment 2**). After the consultation process, AIO requested to adjust the site slightly due to a change in ground conditions and requirement to reposition a jetty. The proposed site now comprises an area of 0.293 hectares (**Attachment 3**). DPIRD Regional Compliance raised no issues with the change. Aquaculture Management Directorate considered the need for further consultation unnecessary, noting that no comments of a substantive nature were received during consultation on the initial site, and that the proposed site amendments were only minor.

2 RELEVANT CRITERIA TO BE SATISFIED

Consultation was undertaken according to the process set out in AG1; that is, with relevant Government agencies and representative community and industry groups and included the opportunity for public comment. **Attachment 4** provides a summary of the consultation process that was undertaken.

I have read and considered **Attachment 4**. Where relevant, those matters arising out of the consultation process that are of greater significance are referred to below.

The matters arising by reason of s 92 and 92A of the Act are twofold:

- 1. The criteria specified in s 92(1); and
- 2. The Management and Environmental Monitoring Plan ("MEMP").

2.1 Criteria in s.92(1)

(a) "Fit and proper person"

Considerations relevant to the "fit and proper person" criterion by reference to the key concepts of knowledge, honesty and ability are set out below.

Knowledge

From the information submitted with the application, I have noted that AIO has been carrying out growth trials of rock oysters under the Licence for the past two years. Based on the information provided I am of the view that AIO has the knowledge required to undertake the proposed aquaculture activity.

Honesty

I have no reason to believe AIO does not meet the concept of honesty.

Ability

The business plan, which AIO was required to produce as part of its application, provided financial information on assets and liabilities and cash flows based upon

future production. Based on the information provided, I have no reason to believe that AIO would not have the capacity to raise the finance needed for the establishment and operation of the project.

From the information provided, it is evident that AIO has a clear understanding of the level of infrastructure and aquaculture equipment needed for the successful implementation of the proposed project. AIO has a history of keeping records and paying relevant fees; I have therefore no reason to doubt the ability of the company in this regard.

With respect to the matter of persons acting on behalf of the licence holder, AlO is a company and accordingly must act through natural persons or agents. These persons are the officers (such as directors) and employees of the company. The Licence does not authorise persons to act "on behalf of" AlO, so AlO cannot authorise independent contractors or "lessees" to carry out aquaculture. AlO has been an established company for some years, so can be assumed to understand relevant principles of agency.

Based on my consideration of the matters set out above and the information that is before me, I consider AIO is "fit and proper" to hold a licence to conduct aquaculture of the proposed species at the authorised site.

(b) Tenure

AIO has made an application to the Minister for Fisheries for an aquaculture lease under s.97 of the Act in respect of the existing area of operation.

Accordingly, I consider that AIO will have appropriate tenure over the authorised site.

(c) Better interests

Aquaculture at the Abrolhos Islands comprises a significant and sustainable sector of Western Australia's aquaculture industry and has the potential to expand. Aquaculture of the proposed species will facilitate this expansion. Adding the proposed species to AIO's licence will further contribute to the State's economy and provide increased community benefits such as employment opportunities and economic diversification.

Another benefit is that the proposed activities will provide further experience and scientific information that can assist with future aguaculture proposals.

By reason of the above considerations I am of the view that the grant of the application would be in the better interests of the State and community.

(d) Whether the proposed activities are unlikely to adversely affect other fish or the aquatic environment

The main considerations in respect of whether the proposed activities will adversely affect other fish or the aquatic environment are discussed below.

1. Genetics, disease and pests

Genetics is not an issue because the proposal does not contemplate introducing new genetic combinations. All species to be added to the Licence occur naturally in the Abrolhos Islands or WA coastal waters.

In respect of diseases and pests, AIO's aquaculture operation operates under controls imposed through licence conditions and a MEMP, which includes biosecurity protocols and procedures. These controls are based on the requirement to demonstrate low risk of disease and pest introduction and spread.

a. Disease introduction

I am confident of the ability of AIO to detect known disease agents.

I am not aware of any reported introduction of disease pathogens caused by movement of fish to the site. I note that from time to time DPIRD's Diagnostics and Laboratory Services may wish to undertake disease testing in the absence of a reported disease event and that these requirements may change from time to time, taking into account the diseases of interest, the characteristics of the tests available and the required confidence in the result as determined by a risk assessment. A licence condition will be imposed to enable DPIRD's Diagnostics and Laboratory Services to determine these requirements for disease testing.

Given the biosecurity protocols in place for the existing offshore site and the controls imposed, or that may be imposed, over the movement of the proposed species, I consider the threat of disease being introduced to the Abrolhos Islands is low.

I note that any movements to the site will require health certification, which would deal with disease.

Scallop and oyster spat will be sourced from the Albany Shellfish Hatchery or other hatchery operating under an aquaculture licence granted under s.92 of the Act. The movement of spat obtained from any hatchery, including the Albany Shellfish Hatchery, will require a health certificate. AlO will operate under biosecurity controls imposed through licence conditions and a MEMP. These controls are based on the requirement to demonstrate low risk of disease introduction and spread through conducting comprehensive health testing prior to movements being permitted.

I consider the threat of disease being introduced to the Abrolhos Islands and the surrounding areas generally to be low, given the biosecurity protocols in place and the controls imposed over the movement of the fish to the site.

b. Disease development in situ

I have noted that aquaculture has been carried out at the existing site in the Abrolhos Islands for two years. I am not aware of any reports of significant disease outbreaks during that period.

I am also mindful of the conditions to be imposed on the licence in respect of disease reporting requirements and the biosecurity provisions set out in the MEMP.

Therefore, I consider the risk of disease outbreak at the site and the spreading of disease from the site to be generally low, given the biosecurity protocols in place and the controls imposed, or that may be imposed, over the species being grown at the site.

2. Aquaculture gear

a. Impact of the aquaculture gear

AIO proposes to grow scallops and oysters held in cages, baskets and similar gear suspended from floating longlines, which are held in place by anchors. The anchorage of the aquaculture gear will be implemented without damaging sensitive benthic habitats or live coral.

In respect of potential entanglement and interaction with marine fauna, in its MEMP AIO has committed to complying with the mitigation and management strategies specified in the Marine Fauna Interaction Management Plan developed by the Department for the Mid West Aquaculture Development Zone. I note that the Environmental Protection Authority has approved that document.

In particular, AIO will minimise risk by:

- training its staff to identify any potential interaction with marine fauna;
- maintaining an incident response procedure in accordance with the Aquaculture Council of Western Australia Mussel and Oyster Environmental Code of Practice; and
- ensuring all moorings and markers associated with the lease areas are constructed and maintained in accordance with the Western Rock Lobster Council's Code of Practice for reducing whale entanglements;

Further, all collision or entanglement incidents will be reported to the Department of Biosecurity, Conservation and Attractions (DBCA) Wildcare Hotline and the Geraldton DBCA office within 24 hours of the incident occurring and the details of the incident, including the actions taken documented. If marine fauna are discovered distressed due to entanglement or entrapment in aquaculture gear, then reasonable efforts will be made by staff to free the animal if safe to do so.

Therefore, I consider that potential entanglement and interaction with marine fauna arising from the deployment and use of the aquaculture gear would be minimal.

b. Removal of the aquaculture gear

In the event of aquaculture ceasing, any issues concerning the clean-up and rehabilitation of the site would be covered by the relevant provisions of the Act.

3. Environmental impact

I note that it is in the best commercial interest of AIO to maintain a healthy environment and to ensure any ongoing environmental impact is adequately measured and evaluated. The monitoring and management of environmental factors is a separate issue that is dealt with in the MEMP section below.

I have noted that the species selected for production and culture will be filter feeders and require no additional feeding; consequently, there will be no increase in nutrient levels arising from the introduction of manufactured feeds. AIO will also undertake sediment quality testing to identify potential environmental impacts from farming activities. The risk of the proposed aquaculture activity having any significant impact on the environment arising from an increase in nutrient concentrations is considered low.

The Abrolhos Islands is recognised for its significant marine and terrestrial fauna and flora; however, the risk of the proposed aquaculture activity having any significant impact on the environment is considered low and can be managed through the requirements of the MEMP.

Therefore, I consider that the matter of environmental impact has been fully addressed and sufficient environmental monitoring and management controls provided in the MEMP and conditions of the Licence.

4. Visual amenity and noise pollution

The proposed project will not have any negative impact on visual amenity and will not result in any noise pollution.

After considering the relevant issues regarding s.92(1)(c), I am satisfied the proposed activities are unlikely to affect other fish or the aquatic environment and can be managed through the MEMP and conditions imposed on the licence under s.95 of the Act.

(e) Whether the proposed activities have been approved by other relevant authorities

S.92(1)(d) requires the CEO to be satisfied that the proposed activities have been approved by relevant authorities. I have not identified any other relevant authority that needs to provide approval.

(f) Other matters prescribed

S.92(1)(e) requires the CEO to be satisfied of any other matters prescribed for the purposes of s.92(1). There are no other prescribed matters.

Therefore, I am satisfied of all of the criteria in s.92(1) of the Act have been met in respect of the variation application.

2.2 The MEMP

AIO has an approved, existing MEMP in respect of its Licence. That MEMP has been amended to apply to the activities proposed under the variation to the Licence.

As such, I approve the MEMP provided by AIO (Attachment 5).

In respect of the public availability of the MEMP, I note that under s.250(1)(c) of the Act, a MEMP lodged under the Act is "confidential information" and cannot be divulged by the Department.

3 DISCRETION TO VARY – MERITS OF THE APPLICATION

In considering the exercise of discretion, I give regard to the merits of the application. That requires balancing the opposing considerations against the supporting considerations. For any detrimental factors, I give regard to how detriments may be minimised and controlled.

Potential disadvantages of variation

(a) Genetics, diseases and pests

I have considered the issue of genetics, diseases and pests earlier at part 2.1(d)(1) of this decision, including interbreeding, and concluded genetic issues will be unlikely to have any detrimental impact.

(b) Environmental impact

I have considered the issue of environmental Impact earlier at part 2.1(d)(3) of this decision, and concluded that there are sufficient controls in place to manage any environmental impact.

(c) Impact on compliance and resourcing

I note that aquaculture activities are managed through licence conditions and regular disease testing which results in a low impact on compliance and resourcing.

(d) Whether the proposal involves limitation on access to the proposed waters.

The variation does not provide the licence holder with exclusive access to the site; therefore, granting the Licence to authorise aquaculture at the site will not limit access to waters.

(e) The possible impact on navigation

The Department referred the proposal to the Department of Transport (Navigational Safety), which recommended the areas of the site be subject to marking and lighting in accordance with Category 2 as set out in the document *Guidance Statement for Evaluating and Determining Categories of Marking and Lighting for Aquaculture and*

Pearling Leases/Licences (2019). This can be dealt with under a standard licence condition.

(f) The possible impact on recreational fishing

The variation is for the addition of species and a nursery area, so the variation will not have any impact on recreational fishing.

(g) The possible impact on commercial fishing and other commercial activities including tourism

The variation is for the addition of species and a nursery area, so, as with recreational fishing, the variation will not have any impact on commercial fishing.

Potential advantages of variation

(a) Suitability of the location for aquaculture and proximity to existing operation

The history of successful aquaculture at AlO's existing site at the Abrolhos Islands indicates the suitability of the site for that purpose.

There are numerous reasons why the site provides a good location for the proposed activity and, specifically, I have noted the following factors:

- the physical features of the site satisfy the biological requirements for the production of the proposed species;
- although located some distance offshore, in the Abrolhos Islands, the site has reasonable access to infrastructure in the city of Geraldton; and
- waters inside the area are clean, well-mixed and flushed.

I am of the view the reasons set out above show that the location is suitable for the aquaculture of the proposed species, and that the addition of the new area to the existing site would afford advantages in respect of operational efficiency and commercial viability.

(b) Very low impact on other users of the resource (providing disease issues are dealt with)

For the reasons set out above, the granting of the variation to the Licence would not have any impact on other users of the resource.

The proposal has no impact on visual amenity and noise pollution.

I have noted that the proposal was developed in consultation with a range of stakeholders.

Providing that disease issues are dealt with, I have formed the view that the proposal will have little to no impact on other users of the resource.

(c) Potential economic benefits for the State

I have considered the issue of economic benefits for the State earlier at part 2.1(c) of this decision

(d) Contribution to ongoing development of science and knowledge of aquaculture

Information generated from the expansion of aquaculture activities at the site would contribute to the ongoing development of the science and knowledge in relation to aquaculture, in part by providing data pertaining to environmental impact of activities of this nature on the key identified environmental factors at this type of site; namely, benthic communities and habitat, marine environmental quality and marine fauna.

The science developed from the proposal may increase the efficiency of the commercial activity, but would also provide a basis for adaptive management by the Department.

(e) No impact on native title

There is no impact on Native Title.

In respect of the various issues opposing and in favour of the proposal, I am satisfied the benefits outweigh the disadvantages and that the risks, possible detriments and other issues associated with the proposed licence variation can be managed by licence conditions and the MEMP.

4 LICENCE CONDITIONS

The conditions on the licence being varied are outdated and will be replaced as set out below.

The Department has liaised with AIO over the licence conditions. The indicative (intended) substance of the licence conditions is as follows.

1. Interpretation

1. In the conditions on this licence -

Pathologist means an employee of a laboratory facility that is accredited by the National Association of Testing Authorities, Australia;

DPIRD means the Department of Primary Industries and Regional Development.

DPIRD Diagnostics and Laboratory Services means the officer(s) occupying that position in the Department, or any officer occupying a comparable position in the Department that the CEO advises the licence

holder by notice in writing will be performing the duties of a pathologist of DPIRD's Diagnostics and Laboratory Services;

site means the area specified in Schedule 2 of this licence.

- 2. The following terms used in the conditions on this licence have the same meaning as in the Fish Resources Management Act 1994
 - aquaculture lease;
 - · CEO; and
 - · record.

2. Marking and Lighting

- (1) Marking and lighting of the site must be installed and maintained in accordance with Category 2 as set out in the document "Guidance Statement for Evaluating and Determining Categories of Marking and Lighting for Aquaculture and Pearling Leases/ Licences (2019)".
- (2) The marking and lighting required under paragraph (a) must be installed before any aquaculture activity is undertaken at the site.

3. Aquaculture gear and infrastructure

- a) Aquaculture gear must be used in such a way so as to not damage any reef, coral or seagrass bed.
- b) Upon termination or non-renewal of this licence, the licence holder must remove from the area all property, equipment, structures, navigational aids, refuse and debris of the licensee and restore the area to a condition approved by the CEO of DPIRD.
- c) The holder of the licence must ensure that all aquaculture gear is located within the boundaries of the site, and maintained in a safe, secure and seaworthy condition; and all floating aquaculture gear, including ropes and buoys, must be fastened securely.

4. Source of stock

Fish must not be stocked at the site unless -

- (1) They have been collected from the Abrolhos Islands area using spat collectors; or
- (2) they have been sourced from the Albany Shellfish Hatchery or other hatchery authorised to culture the species.

5. Health management and certification

- (1) The licence holder must not move fish onto or from the site unless -
 - (a) the licence holder has submitted the request form provided by DPIRD's Diagnostics and Laboratory Services Aquatic Diagnostics

- Lab, to a Pathologist employed by DPIRD for the provision of a health certificate; and
- (b) the licence holder has received a health certificate from a DPIRD Pathologist in respect of all fish being moved onto or from the site; or
- (c) where the licence holder has made a request for the provision of a health certificate to a Pathologist who is not an officer of DPIRD, the licence holder has received confirmation that a copy of a health certificate for those fish is in the possession of DPIRD's Aquatic Diagnostics Labs.
- (2) The licence holder must ensure that any fish moved to or from the site is accompanied at all times by a copy of the health certificate received under paragraph (b).
- (3) Paragraphs (1) and (2) do not apply if the fish are moved for the purpose of processing, sale for consumption or under a sampling plan conducted for the purpose of seafood quality testing or environmental monitoring.

6. Disease testing

- (1) The licence holder must ensure that disease testing of fish is carried out -
 - (a) during movement to or from the site; or
 - (b) while the fish is situated at the site,

as required by notice in writing from DPIRD's Diagnostics and Laboratory Services.

(2) The testing carried out under paragraph (1) will be at the cost of the licence holder.

7. Biosecurity measures

Where the licence holder -

- (1) suspects that any fish at the site are affected by disease; or
- (2) becomes aware of any significant or unusually high levels of fish mortality, caused by disease or otherwise, the licence holder must -
 - (a) immediately notify DPIRD on 1300 278 292 (all hours) of the level of mortality or signs of disease; and
 - (b) follow the directions of DPIRD's Diagnostics and Laboratory Services in relation to providing reports, samples of fish, or any other relevant item, at such a time as required.

8. Record keeping

- (1) The licence holder must make accurate and timely records of
 - (a) the aquaculture gear used at the site;
 - (b) the movement of fish to each type of aquaculture gear, including
 - i. the estimated average weight and numbers of the fish moved;
 - ii. the time and date the movement took place; and
 - iii. any mortalities of fish that occurred during the movement;

- (c) the estimated weight and numbers of fish being kept on each type of gear at the site;
- (d) the estimated weight and numbers of fish harvested from each type of aquaculture gear at the site;
- (e) all mortalities at the site, both in total and as a percentage of total stock held at the site at the time; and
- (f) all health certificates issued to the licence holder by a Pathologist.
- (g) breeding carried out in all hatchery tanks by reference to the following
 - i. the number of broodstock;
 - ii. the batch number of the larvae or juveniles;
 - iii. water temperatures;
 - iv. water quality test results;
 - v. the loss of larvae, juveniles and broodstock and cause of loss;
 - vi. any symptoms of disease; and
 - vii. estimated numbers of post larvae when sampling for health certificates.
- (2) The licence holder must keep the records made under paragraph (1) in a secure place at the licence holder's registered place of business for a period of seven years.
- (3) Records under paragraph (1) must be available to an authorised DPIRD Officer at any time
- (4) The licence holder must, upon request from time to time, provide the data under paragraph (1) to DPIRD's Diagnostics and Laboratory Services – Aquatic Diagnostics Lab.
- (5) Records must be made immediately after inspection, or upon receipt of the health certificate, as the case requires.

9. MEMP Compliance Audit

An independent audit of compliance with the MEMP must be commissioned and carried out by the licence holder, at the expense of the licence holder, within four months of being directed in writing by the CEO to commission the audit. A copy of any interim and final audit report must be delivered to the CEO within seven days of being received by the licence holder.

10. MEMP Report

The holder of the licence must:

- i. at all times comply with and implement the latest Management and Environmental Monitoring Plan ("MEMP") prepared by the holder of the licence, and delivered to DPIRD; and
- ii. before 31 July each year, submit to the CEO at the head office of DPIRD at Perth, a written annual report on its activities conducted under the

MEMP during the year, which must include all results of management and monitoring activities to 1 July.

The conditions will be imposed by providing the Applicant with notice in writing, noting there is a requirement for a review period before giving effect to the decision.

I note that the aquaculture venture is a dynamic operation, not a static event, and in the event that varied or additional conditions become appropriate then those can be imposed in the future in accordance with the process in the Act.

DECISION

In view of the above considerations, I have decided to vary the Aquaculture Licence on the basis that conditions are imposed on the licence.

Aquaculture Licence No. 1654, held by Abrolhos Island Oysters Pty Ltd is to be varied to include a 0.293 hectare site, as well as the following species:

- saucer scallop (Ylistrum balloti);
- commercial scallop (Pecten fumatus);
- austral scallop (Chlamys australis);
- · doughboy scallop (Mimachlamys australis); and
- Akoya pearl oyster (Pinctada fucata).

Existing conditions on the licence are to removed and replaced with new conditions pursuant to section 95 of the Act and which are set out above at part 4 (conditions 1-10) of this statement of decision.

I have also decided to approve the MEMP.

Heather Brayford

DEPUTY DIRECTOR GENERAL, Sustainability and Biosecurity

As delegate of the CEO

Dated this

day of

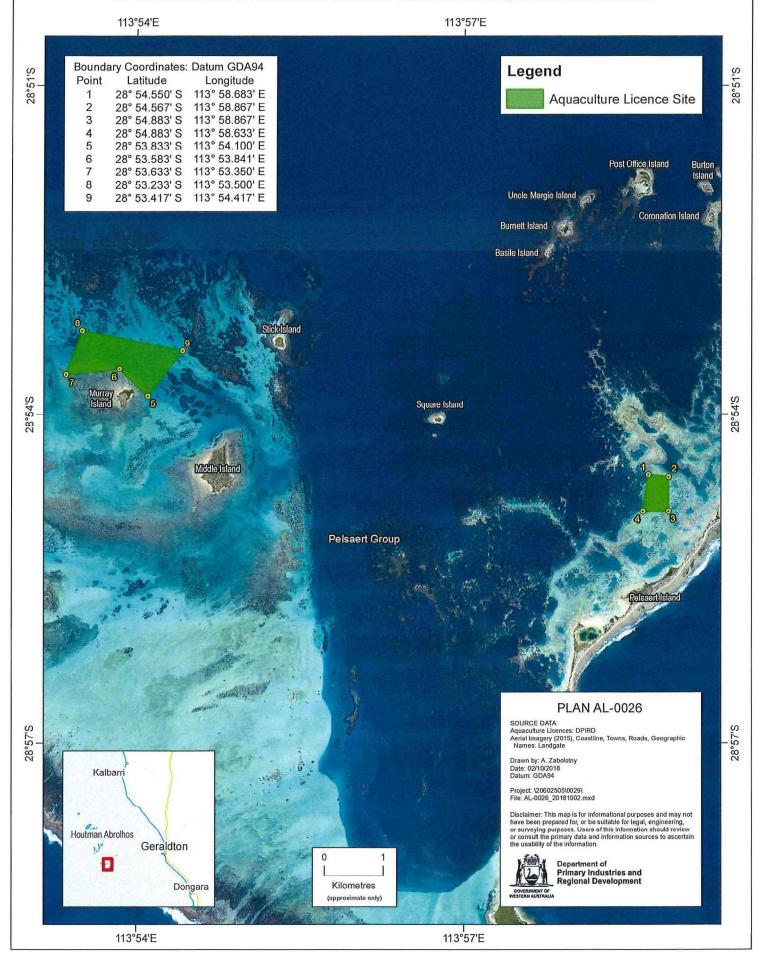
June

2021

I hereby give instruction for notice of the decision to vary the Licence under s.142 of the Act and impose conditions under s.95 of the Act to be advertised in the West Australian newspaper in accordance with s.148 of the *Fish Resources Management Act 1994*

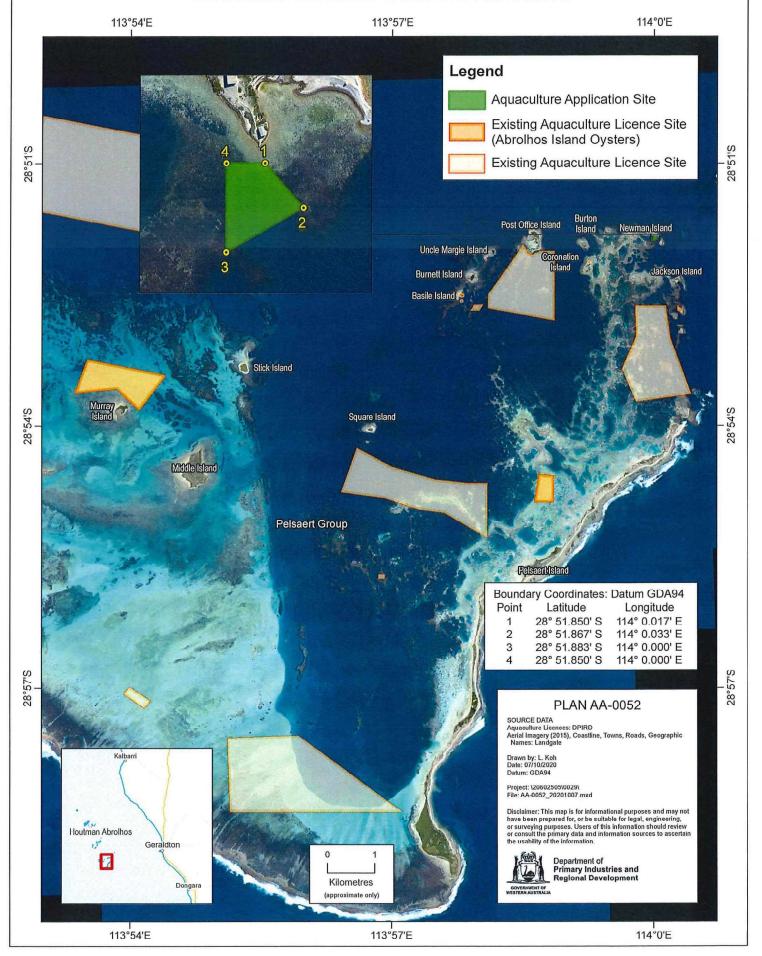
HOUTMAN ABROLHOS - PELSAERT GROUP ABROLHOS ISLAND OYSTERS PTY LTD AQUACULTURE LICENCE - SITE PLAN

ALL THAT PORTION OF TERRITORIAL WATER WITHIN THE BOUNDARY DESCRIBED AND COLOURED GREEN ON THE PLAN BELOW COMPRISING A TOTAL AREA OF 95.380 AND 20.418 HECTARES RESPECTIVELY



HOUTMAN ABROLHOS - PELSAERT GROUP ABROLHOS ISLAND OYSTERS PTY LTD AQUACULTURE APPLICATION - SITE PLAN

ALL THAT PORTION OF TERRITORIAL WATER WITHIN THE BOUNDARY DESCRIBED AND COLOURED GREEN ON THE PLAN BELOW COMPRISING A TOTAL AREA OF 0.209 HECTARES



HOUTMAN ABROLHOS - PELSAERT GROUP ABROLHOS ISLAND OYSTERS PTY LTD AQUACULTURE APPLICATION - SITE PLAN

ALL THAT PORTION OF TERRITORIAL WATER WITHIN THE BOUNDARY DESCRIBED AND COLOURED GREEN ON THE PLAN BELOW COMPRISING A TOTAL AREA OF 0.293 HECTARES

