IFA Aquaculture

REMOVING BARRIERS TO IRISH AQUACULTURE DEVELOPMENT

IFA proposals to halt the serious decline in Irish aquaculture development caused by Government failure to provide a modern regulatory and business environment for growth

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EXECUTIVE SUMMARY

The Opportunity

Irish Aquaculture has the potential to be a significant employer in coastal areas hardest hit by job losses and emigration. The sector can sustain up to 2,000 new jobs and an additional half a billion euro in export-led growth.

Irish advantages include our excellent marine sites, 40 years of farming experience and expertise in food exports that can launch aquaculture into a new phase of expansion and innovation, capturing an important share of growing world markets for seafood.

The fish and shellfish farming sector's importance is recognised in targets set out in national policies such as "Food Harvest 2020" and "Harvesting Our Ocean wealth", in the BIM corporate strategy plan as well as the European Commission's strategy for aquaculture development. **(Page 3)**

The Problem

Against international trends, Irish aquaculture is shrinking. The industry, its customers, suppliers and investors see the government's role as adding uncompetitive barriers, unnecessary costs and bureaucracy with little or no appreciation of the practical needs of the sector. Current structures do not recognise the potential or urgency of the aquaculture issue and dictate that c**learing each of the 600 licence applications which built up over a seven year period will involve dozens of public servants in six state agencies, nine statutory consultee bodies, four government departments and an appeals board.**

Access to the industry has been placed beyond the reach of the original fishing and farming communities it was established to serve as an alternative or complementary industry due to the high costs, red tape and resource-sapping delays involved in establishing and growing even the smallest aquaculture businesses.

Public and private capital investment of €60 million has been lost over five years by preventing licence applicants from accessing badly needed grant aid at a rate of 40% which would support rural communities;

Private investment and institutional credit has dried up because of government inertia towards clearly articulated industry needs for professional, customer-focused and transparent regulation. **(Page 7)**

The Solution

IFA proposes that government cuts excessive bureacracy, reverses the proliferation of agencies to instead focus on achieving its own published policy targets. Minister Coveney must give an unambiguous commitment to ensure there is motivated, dedicated management responsibility to meet economic targets within the public service. All state agencies should be reviewed on their performance towards contributing positively to growing economic development, putting jobs centre stage and increasing exports. Managing through this problem must prioritise removing **the backlog** within 2 years and to producing **a system by 2017 which can give a definitive decision within two months** of receipt of a completed application (as per the recommendation of the European Commission). **(Page 10)**

THE OPPORTUNITY

HARNESSING OUR OCEAN WEALTH (HOOW), is the Government's key national marine development policy with three over-arching priorities:

- "Sustainable economic growth of our marine/maritime sectors"
- "Increase the contribution to our national GDP"
- "Deliver a business friendly yet robust governance, policy and planning framework"

It confidently proposes necessary targets for the aquaculture sector to contribute to these priorities, forming a package with other rural development policies to reinvigorate the economy, increase jobs and stem emigration:

- *"There is significant scope to expand Ireland's aquaculture industry, with increases expected from both conventional aquaculture and a new deep sea salmon farming initiative, amounting to a 78% increase in volume of production by 2020… …The seafood sector employs close to 11,000 people, primarily in peripheral coastal locations. With increased economic activity this is expected to reach 14,000 in 2020" (HOOW, p14)*

- *"An effective licensing system was viewed by many submissions as the single most important contribution the public sector can make to the development of the marine sector. Numerous submissions regarded the current licensing systems as a barrier to growth (e.g. foreshore and aquaculture licensing and planning permission). It was felt that such systems must be fit-for-purpose, quick, consistent, efficient and transparent in order to attract investment."*

FOOD HARVEST 2020 - POTENTIAL FOR AQUACULTURE PRODUCTION.

The Department of Agriculture, Food and Marine's own policy guidance document covering the entire food agri and marine food sector, states: *"It is widely acknowledged that world seafood demand is expected to continue growing at a pace which cannot be met by wild fishery products. This deficit will likely be met by aquaculture production and the Cawley Report recognised that the aquaculture sector offers substantial potential for increased production of seafood. Ireland's total aquaculture production is currently fifth highest of the EU-27 member States and the FAO predicts that Ireland will see a 61% increase in aquaculture production by 2030 – the second highest level of all EU MS. This potential is reinforced by the fact that the Irish sector contributes just 38% of the value of total primary production while the world-wide trend is close to half of all fish supplies come from aquaculture and that average worldwide growth in the sector is between 6-8% per annum[1]. It is possible, therefore, that farmed production may increase by 1 Mt by 2030, exceeding 2.1 Mt by 2015 and reaching 2.5 Mt in 2030 from current levels of 1.8mt in 2008.*

"The aquaculture sector offers sustainable opportunities for employment. The sector must be responsive and adaptable to consumer demands. An analysis of BIM production and employment survey data has shown that every additional 70 tonnes of finfish and shellfish produced generates one full time equivalent job. On this basis the incremental output projected in the National Seafood Programme 2007-2013 of 47,000 tonnes would directly generate 670 FTE jobs and using the ESRI multiplier for aquaculture, a further 845 jobs indirectly, resulting in an increase in 1500 jobs overall in the sector,

[1] European Commission: *Strategy for Development of European Aquaculture Com 2013/229*

significantly in the economically disadvantaged and remote coastal regions. At present day prices, the incremental value at first point of sale of this increased production is approximately €160 million.

A further uplift of at least an additional € 40 million will arise from simple value added activities to this raw material. The vast bulk of this output (circa 80%) is exported. Because it is a natural resource base activity, there are very small import costs associated with the sector so its value can be almost entirely set on the positive side of the trade balance."

INDUSTRY VIEW

Fish and Shellfish Farming in Ireland is a major component of our seafood industry and a significant employer in coastal areas. Globally, aquaculture is the fastest developing farming sector, overtaking wild fish as the main seafood source in 2011 and beef production globally in 2013 (FAO).

IFA estimates that by reaching its full potential and the targets set out in government policy, aquaculture will contribute over €500 million in direct farm gate income and €1 billion in ancillary activity and processing – mostly from export trade;

IFA's fish and shellfish farming members want a vibrant production sector with at least 40,000 tonnes of finfish production, 20,000 tonnes each of rope mussel and oysters and 50,000 tonnes of bottom mussel production. This basic production would fulfil market demand, create momentum for a domestic processing sector; provide the critical mass to attract infrastructure investment; fund basic practical research funding to leverage public funds for issues of concern to the industry; increase self-monitoring and reduce reliance on official public monitoring; expand its role as champion of clean coastal waters; develop communications and community involvement; ensure a healthy and sustainable business to pass onto the next generation for further development.

CURRENT INTERNATIONAL POLICY ON AQUACULTURE POTENTIAL

The FAO

Since the mid-1990s, aquaculture has been the engine driving growth in total fish production as global capture production has levelled off. Its contribution to world total fish production climbed steadily from 20.9 percent in 1995 to 32.4 percent in 2005 and 40.3 percent in 2010. Its contribution to world food fish production for human consumption was 47 percent in 2010 compared with only 9 percent in 1980… The global population is increasing and, in order to maintain at least the current level of per capita consumption of aquatic foods, the world will require an additional 23 million tonnes thereof by 2020. This additional supply will have to come from aquaculture **(FAO State of World Fisheries & Aquaculture 2012)**

The European Commission – Strategic Guidelines on EU Aquaculture (COM 2013/229)

To boost the development of EU aquaculture, the European Commission has issued strategic guidelines, thereby cooperating with Member States and stakeholders in overcoming the challenges facing the sector. The EU aquaculture sector has a significant growth potential and can help to spare overexploited sea resources... ...Today, 10% of the EU seafood consumption comes from aquaculture, 25% from EU fisheries and 65% from imports from third countries (including both fisheries and aquaculture); the gap between consumption and production of our capture fisheries has been steadily growing in the last years, and aquaculture can help filling it. Each percentage point of current EU consumption produced internally through aquaculture could help create between 3,000 and 4,000 full-time jobs.

European Commission Natura 2000 policy

"Guidelines on Aquaculture in Natura 2000 areas" represents the European Commission's views on the compatibility of marine farming with protection of species and habitats. The Guidelines *"illustrate how nature protection provisions can be compatible with* ***sustainable aquaculture development."***

Goals for Irish Aquaculture

Export

By exporting 70% of production, the aquaculture sector is an important net contributor to the national balance sheet. A low reliance on input imports and relatively labour intensive production of raw material which can be further processed domestically for sales abroad make it an ideal sector for development. New market opportunities are developing such as organic production, growing Asian markets and innovation through value added processing.

"Ireland's total aquaculture production is currently fifth highest of the EU-27 member States and the FAO predicts that Ireland will see a 61% increase in aquaculture production by 2030 – the second highest level of all EU MS. This potential is reinforced by the fact that the Irish sector contributes just 38% of the value of total primary production while the worldwide trend is close to half of all fish supplies come from aquaculture and that average worldwide growth in the sector is between 6-8% per annum[2]. It is possible, therefore, that farmed production may increase by 1 Mt by 2030, exceeding 2.1 Mt by 2015 and reaching 2.5 Mt in 2030 from current levels of 1.8mt in 2008." **Food Harvest 2020 Background document.**

"Irish seafood exports are just over €800m and forecasts suggest this could get to €1bn by the end of the decade. That seems to be a highly conservative figure. Dairy exports presently are almost €3bn, for example. Why can't we plan for an industry that grows three-fold over the next decade by targeting fast-growing economies with high quality produce?" **Joe Gill, Irish Examiner, 2nd Oct 2013.**

"Based on current labour productivity, each percentage point of current EU consumption produced internally through aquaculture would help create between 3,000 and 4,000 full-time jobs. This figure confirms that, although aquaculture represents a relatively small part of the EU economy, it has the potential to boost growth and jobs in EU coastal and inland areas. A close cooperation with the processing industry can further improve job creation and competitiveness in both sectors. Aquaculture is one of the pillars of the EU's Blue Growth Strategy and its development can contribute to the Europe 2020 Strategy."

Maria Damanaki, Commissioner for Fisheries & Maritime Affairs, COM(2013) 229 final "Communication From The Commission To The European Parliament, The Council, The European Economic And Social Committee And The Committee Of The Regions - Strategic Guidelines for the sustainable development of EU aquaculture"

Joint Oireachtas Sub Committee on Fisheries Report on Promoting Sustainable Rural Coastal and Island Communities, January 2014

Recommendation 16 (p.145): The sub-Committee has concerns that sufficient management resources are not being devoted to the processing of aquaculture licence applications and renewals. It recommends that applications in respect of non-Natura areas and Natura areas, where baseline data collection has been completed within the statutory timeframe set out by legislation, should be processed expeditiously.

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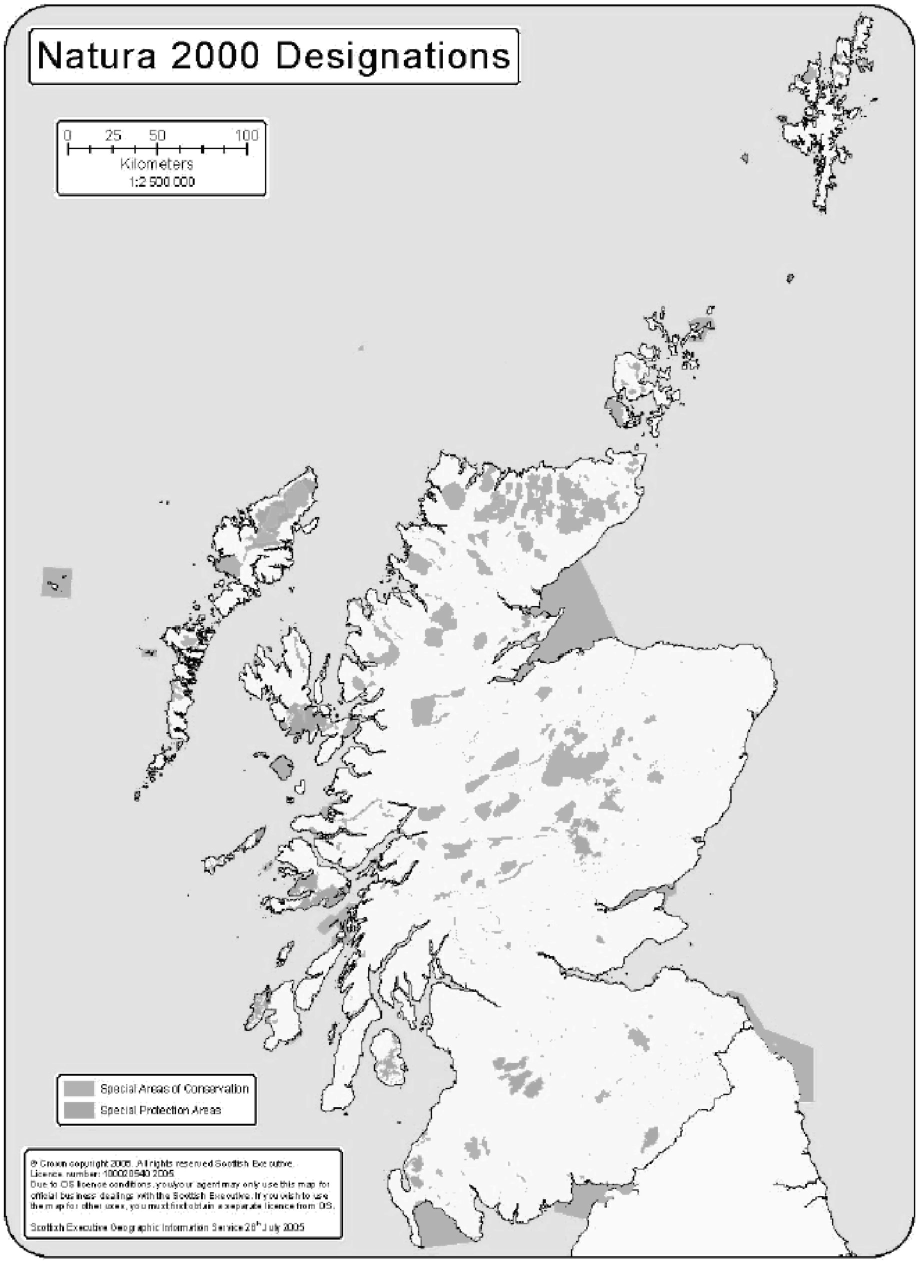
[2] European Commission: *Strategy for Development of European Aquaculture*

A SUCCESSFUL MODEL ON OUR DOORSTEP



Scotland

(Sources: Scottish Salmon PO, Scottish Govt)

- Pop: 5.3 million
- Capital Investment in Salmon Farming: Stg £1.8 billion since 2008
- Salaries from salmon farming into local economy £61.5 million p.a.
- Annual Contribution to local economy – wages services inputs: £145 million
- Direct employment on fish farms (2012) 2200
- Salmon Farm Output 2011: 160,000 tonnes
- Much of the industry in highlands and Islands located in Natura 2000 areas (http://bit.ly/1oTkUKP)

Ireland

- Salmon production 2001: 25,000, 2013, 9,000 tonnes (Less than Orkneys)
- Capital Investment foregone due to Natura 2000 since 2007: €60million

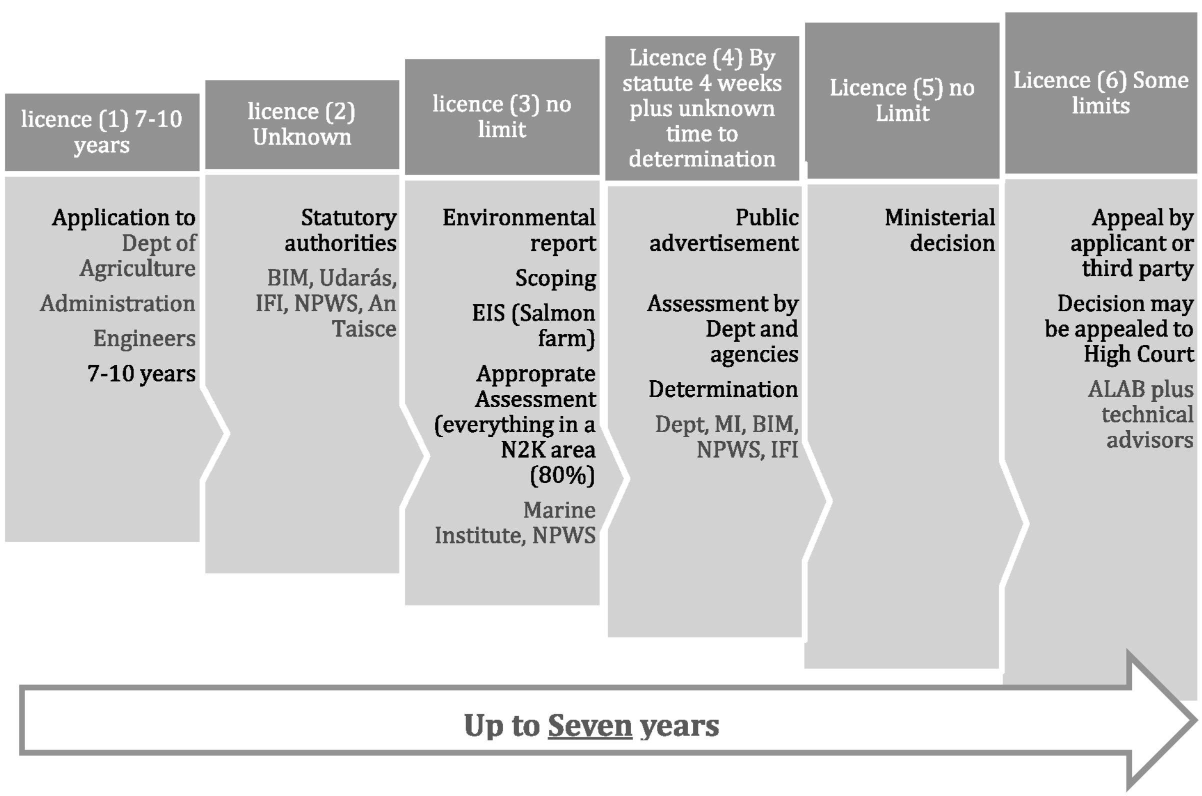
Note, salmon farming started at the same time (1970s) in both countries.

THE PROBLEM

At the beginning of 2013, aquaculture licensing applications awaiting approval numbered almost 600 built up since 2006, falling by approximately 200 towards the end of 2013 mainly through the granting of bulk numbers of licences in large bays such as inner Bantry, Castlemaine and Roaringwater Bay. As the ratio of the number of licensees to each bay decreases, the pace of carrying out appropriate assessments will stay the same – now standing at **2 assessments per year**. Once an application is lodged there are no deadlines on the licensing authority (DAFM) for response or decision nor any clear path explained to the applicant. A major point of criticism from industry is the lack of concern for business deadlines or openness with information on progress by the Department to allow for investment and decisions driven by stocks' biological cycles to be made. No single point of contact with up to date information on the application is provided for the applicant and the blame for delays may be passed from agency to agency.

Why?

- There is no management leadership or oversight to ensure the licensing system fulfils stated aims and objectives of economic or coastal development. There is no single body tasked with making the aquaculture regulatory process a professional, attractive and transparent process for business.
- There are too many state Agencies involved in Licensing often with narrow agendas and no motivation to speed up the process.



THE CURRENT SYSTEM IS:

- **Outdated in attitude at the highest levels, and incapable of responding to business requirements to keep up with international best practice and cutting edge technology. husbandry, consumer products as well as implementing tailored business practice, meeting new market potential and addressing environmental and stock requirements;**
- **Applicant SMEs are not being served by the license system, with some waiting for over seven years for a response. Major gaps include no fixed point of customer contact, an open ended approach to information gathering, no set deadlines for moving an application through the processing system to decision making**
- **The current licensing system cannot respond with the speed required in the modern business environment to changes in production methods, to market demand for more or different types of products, to site changes brought about by the physical environment and the experience of the producer in finding more efficient, productive or accessible ways of farming.**

EXAMPLES OF THE SYSTEM NOT BEING FIT FOR BUSINESS PURPOSE – GRANT AID:

- **Producers without a "valid licence" have been officially barred from access to 2007-2013 European Fisheries Fund-sanctioned capital grant aid. Yet "valid licences" were not issued in any Natura 2000 area until 2013;**
- **Marine salmon farms are uniquely discriminated against by being blocked from access to any funding by the Minister's agreement to an arbitrary and scientifically outdated veto by a single state agency with no defined solution or timeframe.**
- **Shellfish Producers suffered significant losses due recent storms. Many others suffered losses from the algae blooms of** *Karenia mykimoti* **plankton contamination in 2012 and oyster producers had large numbers of mortalities attributed to OSHV1 virus from 2010 to the present day. These producers were not compensated nor was any attempt made to ensure that they could survive these natural disasters as defined under the 2007-2013 European Fisheries Fund Guidelines, unlike their competitors in the French industry, largely because they were regarded as "unlicensed" despite having applied for licences as required under Section 19(a) as amended by the Fisheries and Maritime Act (2008) and awaited licence processing by the Department.**

These examples reveal a lack of appreciation at top levels of management in the public service for the need to assist a young and under-capitalised industry which has unique biological and market limitations and very specific windows of opportunity requiring a speedy, professional and informed response.

No attention is being paid to the industry's day to day business needs to make a reasonable margin to survive and reinvest and to deal with international customer requirements. The market's frustration with the lack of urgency shown by the Irish government to the development and needs of industry has been compared by buyers as a prolonged "constructive dismissal" or inexplicable wind-down of an industry with proven potential.

MISSING NATIONAL TARGETS

Looking at the policy objectives and overall tonnage and value targets contained in "Harvesting Our Ocean Wealth", and "Harvest 2020", current production figures for salmon for example reveal the continued trend backwards and the impact of stagnation on what otherwise should be an expanding industry in the context of a high demand situation with steady to growing prices on export and domestic markets, plus increased demand from a growing domestic processing sector which has been encouraged by focused assistance from agencies such as Enterprise Ireland. Irish processors and smokeries have to import salmon to meet demand due to domestic shortages.

The fact that current production and value levels are below the baselines set in **Food Harvest 2020** are a stark warning for all concerned.

Baseline figures for Aquaculture ref targets 2020:

	Vol (t)	Val(m)
2010	46,959	€ 122

BIM Annual Aquaculture Survey 2012 (calculated values)

	Volume	Value		Volume	Value	(Est)	Volume	Value
2010		(m)	2012		(m)	2013		(m)
Salmon	15,691	€ 78	Salmon	12,000	€ 78	Salmon	*9,100*	*€ 55*
Trout	1,102	€ 4	Trout	781	€ 2	Trout	*800*	*€ 2*
Gigas	7,051	€ 21	Gigas	7,313	€ 36	Gigas	*7,300*	*€ 38*
Edulis	219	€ 1	Edulis	247	€ 1	Edulis	*300*	*€ 1*
Btm Mussels	13,168	€ 9	Btm Mussels	6,484	€ 6	Btm Mussels	*6,000*	*€ 6*
Rope Mussels	9,115	€ 7	Rope Mussels	8,704	€ 5	Rope Mussels	*9,000*	*€ 6*
Novels*	613	€ 4	Novels*	638	€ 6	Novels	*600*	*€ 5*
	46,959	€ 123		36,167	€ 135		*33,100*	*€ 113*

Harvest 2020 targets:

		2012		2013	(Est)
Aquaculture Vol growth by 78%	Actual performance:	-23%	10%	*-30%*	*-7%*
Over baseline year 2010:					

*Includes salmon ova/smolt, scallops, clams, perch ,abalone etc..

THE SOLUTION

Ireland already has natural attributes make us potential world leaders in high quality, innovative and sustainable aquaculture:

- A favourable climate and coastline
- A ready market and a demand for "Irish" products
- An experienced workforce
- A resurgence in investment interest in indigenous manufacturing sector
- An urgency to create jobs to stem emigration and sustain communities

A Window of Opportunity

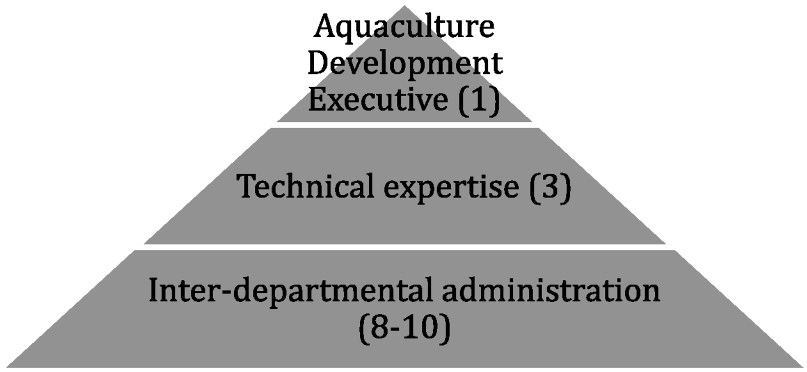
- The European Commission has identified faster, more responsive, less bureaucratic approach by member state governments as key to successful development of European aquaculture (COM 2013/229)
- Political will rather than extra public investment is required to make use of the domestic legislation and expertise that already exists but is not fully exploited. The government can address the impediments created by an over-proliferation of responsibilities for ensuring smooth passage through the licensing process that are thinly spread over too many public service agencies and offices and result in a disjointed, unfocused and piecemeal approach to licensing with economic and job creation considerations taking a back-seat to non-business agendas;
- Bord Bia has confirmed that demand for Irish seafood and aquaculture products is very high on domestic and export markets with corresponding good prices. The licensing regime has led to shortages and marketing difficulties at crucial times for all products and particularly to a newly rejuvenated domestic processing sector which needs to supply and service new markets;
- With a breakthrough in licensing and clear evidence that it is fit for purpose, Investment from private and EMFF sources would be available

One proposed Solution:

A dedicated Aquaculture Unit at temporary Assistant Secretary level with a mandate to:

- Clear the backlog of license applications on hand within two years
- Present a system which guarantees a turnaround from application to decision within 2 months
- Promote sound regulation, transparency and clear policy support for a well-managed, transparently managed industry producing high value and high quality seafood.
- Co-ordinate a clear single coherent message from the irish Government regarding aquaculture based on economic evidence and analysis
- Ensure that Bord Bia marketing investment and plans are accomodated within the national production development plan

THE AQUACULTURE UNIT



From existing personnel and resources a unit must be created with a leader acting as a "champion" for the sector overseeing a small group of technical experts and a suitable administrative team to oversee development and regulatory policy across all departments and agencies. The unit shall have a short fixed term to carry out its work and report to the Minister for Agriculture Food and the Marine and the Joint Oireachtas sub-committee on fisheries.

The unit must have a fixed objective of putting place the means to acheive national production and economic performance targets on time and within the framework of a world class, responsive and customer-focused licensing regime.

As the competent authority for licencing, the Minister and the Aquaculture Licensing Division of the Dept of Agriculture will liaise directly with the unit which will set deadlines on each part of the decision chain. If these deadlines are not met the unit shall have the power to divert funding from the under-performing agency to the hire of oustide expertise to complete the particular part of the job (e.g. the Appropriate Assessment, analysis of and EIS, approval of maps and navigation, etc.). In particular, where bottle necks are identified or response times are unacceptable in areas such as the provision of Appropriate Assessments in Natura 2000 areas, advice from engineering division or legal advice on particular aspects of an application, the unit will have the power to find and provide such advice to the licensing division to speed up the process to meet the two month deadline.

BACKGROUND

Is regulation the “real“ industry

In the aquaculture business in Ireland, the basic tools and information required to pursue normal business are denied to producers. In the modern business and manufacturing sector, to create a single job each SME must first:

- Find a market for their product and ensure it can be supplied from the means of production (site, equipment etc available)
- Prepare a fully calculated business plan to raise investment
- Provide security to investors by way of a valid licence to produce
- If necessary invest in new equipment, buildings, vehicles availaing of available grant aid
- Order sufficient juveniles/seed based on projections
- Ensure enough money is availble to keep in business until harvest
- Adapt to changes in customer demand and market forces
- Have a contingency and emergency plan in place to protect stock

None of these essential moves can be made in the absence of a working transparent licensing system unless the producer wishes to take potentially disastrous business risks or making groundless decisons with far reaching impacts on both staff and livestock.

<u>Furthermore</u>, in keeping with the minimalist and piecemeal approach to informing industry about policy changes, reports from individual producers’ meeting with the Department now suggest that:

In NATURA 2000 Areas currently undergoing Appropriate Assessment ONLY licence applications on hand (some up to 7 years old) will be processed. To extend, change or open a new site, applicants will have to wait until the bay is fully appropriately assessed all over again (completely missing the point of an baseline environmental assessment) and that <u>no further applications will be processed for up to 10 years.</u>

TOO MANY AGENCIES

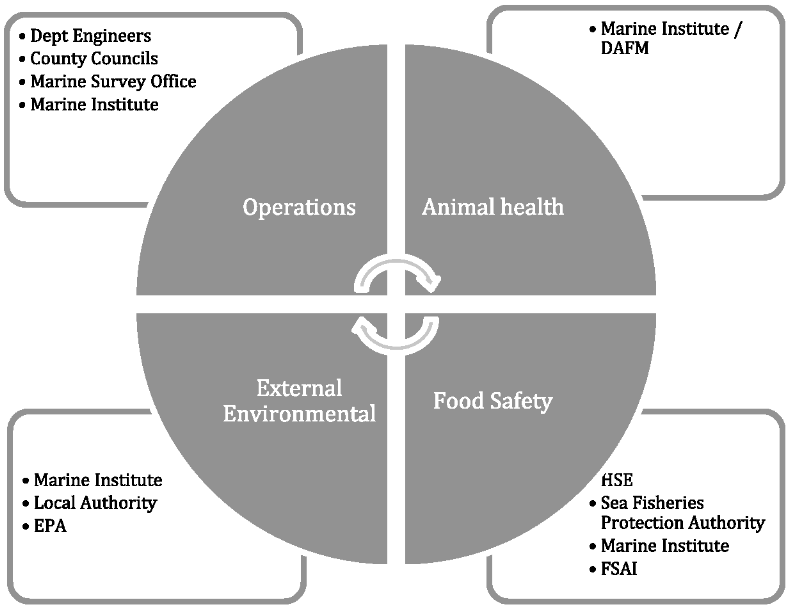
Agencies involved in Licencing Decision making & consultation

Dept. of Arts, Heritage & Gaeltacht	**Marine Institute**
BIM	**Dept of Tourism & Sport**
An Taisce	**Failte Ireland**
Commissioners of Irish lights	**Relevant Co. Councils**
Marine Survey Office	**Commissioners for Irish Lights**
EPA	**Inland Fisheries Ireland**
Harbour Commissioners where applicable	**Udaras na Gaeltachta**

In summary, it is impossible to plan, meet targets, create jobs, meet market demands, satisfy customers, provide assurance to investors while there exists:

- No time limits or mechanism to achieve economic development goals
- No single person or agency in charge of the process
- No clear communication process with applicants

- Unfocused approach in response to the Habitats Directive ECJ case and the European Commission where four agencies and two departments represent an un-coordinated, conflicting and disjointed approach by the Irish Government
- Too much red-tape and bureaucracy expected of micro and small businesses once license is granted
- Licensed Operations interact with a range of official bodies, duplicating paperwork, dealing with unnecessary red tape, finding new barriers to development which were not previously highlighted.



Some of the agencies involved include:

The **Department of Agriculture Fisheries and Marine (DAFM) Policy section** which does not currently develop or promote industry, has no remit to ensure that government targets are being met or the neccessary powers to coordinate the various agencies scattered across several departments to move the industry closer to national targets. DAFM is relevant only to industry at ground level as the body which is charged with overseeing an inaccessible licensing process and equally inaccessible grant aid programme;

The **DAFM Licensing Section,** (reporting to the same line manager as Policy) is not sufficiently open or transparent with applicants about their applications. By its own admission it is not competent to assess the business or technical needs the sector. The division has not revealed a plan for dealing with the licence backlog, and has no responsibility for the **Aquaculture Licence Appeals Board** (ALAB);

National Parks & Wildlife Service sets conservation objectives for each bay covered by Natura 2000, giving it a potential veto over development in every bay yet has no responsibility or remit for job creation;

BIM, has responsibility for development albeit with curtailed budgets and staff. However, due to their parent Department's policy on the EFF (see above) BIM is unable to fund projects in Natura 2000 areas unless they are in possession of a "full licence" (i.e. not awaiting a decision).

The Marine Institute is focused on running statutory regulatory programmes such as biotoxin monitoring, benthic monitoring, residues monitoring sea lice monitoring, (excepting long term involvement with projects such as oyster hatchery, algal bloom, PD, Sea Lice, AGD projects)

Inland Fisheries Ireland has no remit to develop the aquaculture industry. It has produced documents, press releases and funded papers for publication opposing the development of Irish salmon farming, to which it is publically fundamentally opposed. It has a policy of automatically objecting to every marine finfish licence application, regardless of the merits of the project.

The Sea Fisheries Protection Authority (SFPA) are focused on food safety and chain of custody paperwork at farm and processing level. Their job is to manage monitoring for food safety purposes along with BIM, MI, Industry, HSE and FSAI within the Molluscan Shellfish Safety Committee (MSSC). SFPA are responsible for the enforcement and control of food safety related issues within the entire seafood sector.

Bord Bia are tasked with promoting the marketing and sales of Irish seafood, including aquaculture products, however without sufficient raw material it is impossible to guarantee supply to markets and an insufficient budget means that promotion of aquaculture products on the home market is non-existent.

Other agencies involved with industry or with the ability to slow down or veto industry development include:

Local Authorities
Health & Safety Executive,
Environmental Protection Agency
Marine Survey Office
Commissioners of Irish Lights

Appendix 1. Aspirations Vs Reality

The huge gap between the impact of bureaucracy, lack of policy focus and actual delivery is highlighted in the following extract from the Government's latest progress report on its own marine development policy, launched by An Taoiseach

To ensure compliance with environmental requirements and to avoid fines with particular reference to an ECJ Judgement, aquaculture licensing in most of the bays, must be carried out in line with very specific requirements under the Birds & Habitats Directive. A High Level Steering Group chaired by DAFM, with DEHLG, MI, BIM, NPWS is working to a Roadmap which includes a Workplan and Timelines (Bay by Bay). An update on progress with the Roadmap was provided to DG Environment on 9th Oct 2012. DG Environment is broadly satisfied with the Roadmap subject to the resolution of certain minor issues. In 2012, new Licence templates, creating a clear & updated set of rights & responsibilities for Licence holders were implemented. These are designed in line with best international practice and will strengthen the regulation process. The first integrated aquaculture and inshore fisheries Appropriate Assessment (AA) was carried out in Castlemaine, Co. Kerry, in full conformity with the Birds and Habitats Directives (Natura 2000). The first licence determinations in respect of this Natura site have been made with over 40 licence determinations being made in respect of Castlemaine Harbour. In parallel with the work done in relation to 'Natura 2000' sites significant progress was made in 2012 on licensing in non-Natura areas. 115 licence determinations were made in 2012, up from 6 in 2011, and depending on the availability of Appropriate Assessments and other measures it is expected that determinations in excess of this figure will be possible in 2013." **HARNESSING OUR OCEAN WEALTH Short-Medium and Ongoing Items September 2013 - DAFM - Sustainable Aquaculture**[3]

However, what this statement fails to mention is:

- There is no difference in the way the Birds and Habitats Directive applies to Ireland than to other member states. The Commission is on record as saying that aquaculture development and the Directives can be compatible with the right assessment and monitoring systems in place[4]. The key difference is that Ireland, while designating areas including 80% of all licensed marine aquaculture, then ignored its obligations to set up a satisfactory regulatory system. In addressing the subsequent European Court of Justice and Commission concerns, the Irish government has now completely over-reacted by imposing an overly complex and expensive response which requires far more time and resources than are available thereby creating a situation where only a maximum of four AA's can be carried out and published per year. (or one in the case of 2013)
- Delays are not exclusive to applications within Habitats Directive areas. Applications by IFA members outside of AA areas have been lodged for reviews, renewals and new licenses for up to three years without determination.
- "Determination" means "awaiting the Minister's signature" and this can take an inexplicably long time to move onto the next stage.
- As usual, too many organisations are involved with each capable of slowing or stopping the process through inaction or for reasons of their own. DAFM has no direct control or oversight over the majority of the state agencies involved who have no interest in the development of the industry or the coastal economy.
- The "roadmap" is an unpublished document which has not been made available to industry, thereby leaving applicants completely ignorant of their "position" in the queue.
- The "determinations" and licences in Castlemaine were welcomed but have taken seven years. This resulted in at least one successful High Court case (since appealed by the State) for direct damages caused by the delays.
- An NGO which has led the campaign against salmon farming has lodged appeals to ALAB over one oyster and one clam farm in Castlemaine, so it cannot be said that this bay or the licences therein has been resolved.
- Castlemaine is the first of over 50 bays which require an AA. The AA for this bay was finalised in 2010.

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[3] http://bit.ly/1dZ3rPj

[4] Guidelines on Aquaculture and Natura 2000, DG ENV, EC Commission 2013