

**Meeting between the Department and Marine Harvest Ireland
14th March 2016, 11:30am at Agriculture House, Kildare Street**

SUMMARY REPORT

Present

(Marine Harvest)

■■■■■■■■■■ s, Technical and Quality Manager
■■■■■■■■■■ and Processing Director
■■■■■■■■■■ ncial Controller

(Department)

John Quinlan (AFMD)
Kevin Hodnett (AFMD)
Nicole O'Shea (AFMD)

Tony O'Sullivan (Marine Engineering Division)

Dr Dave Jackson (Marine Institute)

Joanne Gaffney (BIM)

1. Purpose of the Meeting

The meeting was convened by the Department to afford the Company an opportunity to outline further its position on overstocking in respect of sites at Inishfarnard and Deenish.

2. Inishfarnard

The Department provided an overview of its position including the Engineering Report of 08/06/2015 which pointed to a total of 820,604 smolts inputted to the site in March 2014 which exceeds the permitted smolt stocking (400,000 smolts) by 420,604. The Report also pointed to a likely harvest from the site in excess of the permitted limit of 500 tonnes.

The Department noted the Company's response contained in its letter of 29/01/2016. The Company also made the following points at the meeting:

- The existing licences do not reflect the current reality of fish production.
- Production at the site represents best practice and no negative environmental effects have resulted from the stocking.
- The question of whether the fish inputted were actually smolts is a matter best decided by the Marine Institute as the Minister's advisors on biological and scientific matters.

The Company pointed towards its repeated request for a modernisation of licences to reflect current production techniques and they alluded to public comments by the Minister for the need for modern licences.

The Company interpreted the licence as 400,000 smolts per year. The Company emphasised that no environmental damage had occurred as a result of the stocking.

The Department pointed to the text of condition 2 (d) of the licence which stated:

"the stock of fish in the cages shall not exceed such quantity as may be specified by the Minister from time to time, the number of smolts to be stocked at the site should not in any event exceed 400,000. Licensed stocking densities are not to be exceeded and will be subject to inspection at any time by the Department of the Marine;"

It was the Department's view that the language was clear and unambiguous. The Department acknowledged that it was not aware of environmental damage resulting from the overstocking but while this was welcome it was not directly relevant to the issue at hand. It was the Department's view that the inputting of 820,604 smolts was a major breach of the licence condition above which could not be ignored.

BIM and MI were broadly of the view that licences needed to be updated to meet modern production techniques but neither agency would condone a breach of existing licence conditions.

In relation to condition 2 (e) which states:

"the Licensee shall not harvest more than 500 tonnes (dead weight) of fish in any one calendar year."

The Department asked what tonnage was harvested from the site. The Company stated that no fish were harvested from the site as the fish were moved to a well boat and were harvested on the boat. The Company indicated that more than 500 tonnes were harvested in this way. The Department noted that the Company did not consider the harvesting of these fish to be related to condition 2 (e) of the licence as the fish were moved to the well boat for slaughter. The Department was of the view that as the fish were removed from the site for the purpose of slaughter, condition 2 (e) applied to the process. As the Company confirmed that in excess of 500 tonnes were harvested the Department was of the view that the condition set out in 2 (e) of the licence had also been breached by the Company.

The Department emphasised that it wished to afford the Company every opportunity to set out a defence of its position and asked if it had anything whatsoever to add. The Company representatives indicated that they had nothing more to say.

3. Deenish

The Department referred to the Inspection Report dated 02/07/2015 which indicated an input in excess of 700,000 smolts. The Department was conscious that the Pilot programme concerning measurement based on biomass had applied to this site up to 31/03/2015, however the input of smolts in early 2015 effectively meant that the smolt stock was in excess of 700,000 on 01/04/2015. This was in clear breach of condition 2 (d) which specified a maximum smolt stock of 400,000 (Condition 2 (d) is identical for Inishfarnard and Deenish sites)

In response the Company made the following points:

- The Environmental Report from the Company on the pilot case showed no negative environmental effects had occurred.
- The Company's interpretation of the licence did not preclude the stocking that occurred.

In response to specific questions from the Department the Company indicated that it did not dispute the figures cited in the Engineering Reports concerning smolt inputs for either Inishfarnard or Deenish.

The Department pointed out that the Company must have been aware that the input of smolts in early 2015 would have created the situation whereby licence condition 2 (d) was breached with effect from 01/04/2015. (i.e. after the pilot had ended on 31/03/2015.) The exceptionality which applied as part of the pilot case would in itself have alerted the Company to the normal conditions of the licence which applied after the pilot was concluded.

In relation to harvesting the Company said it could not state what tonnage would be harvested but in any event harvesting would not occur from the site as the fish would be removed in the same manner as Inishfarnard. The Department restated its position that it regarded removal of fish from the site for slaughter as representing harvesting from the site in accordance with condition 2 (e) of the licence.

The Department again pointed to the plain language contained in the licence and referred to legal advice obtained in 2010, which seemed to confirm that the plain reading of the licence made clear that 400,000 smolts was the maximum permitted under each licence. The situation regarding harvested tonnage was also equally clear.

The Department said that the seriousness of the situation should not be underestimated and asked the Company if it wished, in any way, to elaborate on its position. The Company representatives confirmed that they had nothing further to say.

ENDS

