



agriculture, forestry & fisheries

Department:
Agriculture, forestry & fisheries
REPUBLIC OF SOUTH AFRICA

ANNEXURE 1

RECORD OF DECISION (ROD): APPLICATION FOR A RIGHT TO ENGAGE IN MARINE AQUACULTURE ACTIVITIES BY MOLAPONG AQUACULTURE (PTY) LTD

1. INTRODUCTION

- 1.1 An application for a “*Right to Engage in Marine Aquaculture*” by Molapong Aquaculture (Pty) Ltd (herein referred to as the “company”) was submitted to the Department and was presented to the Marine Aquaculture Working Group (MAWG). This application is in terms of Section 18 of the Marine Living Resources Act, 1998 (Act No. 18 of 1998). It is for a long term Right to engage in marine aquaculture activities for the purposes of the further on-growing of rainbow trout (*Oncorhynchus mykiss*), atlantic salmon (*Salmo salar*), brown trout (*Salmo trutta*), king salmon (*Oncorhynchus tshawytschia*) and coho salmon (*Oncorhynchus kisutch*) at the allocated sea space in the Inner Bay, Saldanha Bay.
- 1.2 It should be noted that any further expansion above the less than 50 tonnes per annum production output will require a Basic Assessment Process as defined in terms of the National Environmental Management Act (NEMA): Environmental Impact Assessment Regulations (EIA) Regulations of 2014.
- 1.3 The MAWG recommended approval subject to the applicant addressing the following information gaps and concerns in the Environmental Monitoring Programme (EMPr):
- **Disease Management:** Proper biosecurity measures should be adhered to when transporting fingerlings prior to stocking in the sea cages.
 - **Performance Indicators:** There is mention of “disease free” fingerlings and “certified disease free fish fingerlings” but no indication of what this means nor how this should be interpreted. These are general statements and can be interpreted in a number of ways. Mostly these terms are used regarding specific diseases and in this context the term SPF or specific pathogen freedom is used.

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Certification in this situation is based on diagnostic testing and surveillance for specific diseases. If this is the interpretation then it is important to state which diseases the fish are certified to be free of and which authority is issuing the certification. The other interpretation of these statements is that the fish are clinically free of disease in other words there is no evidence of the presence of any pathogen based on physical observation of the fish. In many cases certificates are received from vets stating the fish appeared healthy and free of disease but this is not very informative as usually only basic first level pathogen screening is conducted if at all.

- **Procedures:** Prophylactic vaccination is said to be applied to likely or known diseases common to the species and the area. Without any documented information of salmonid diseases in the area or in the marine environment in South Africa at all, it is not clear how this will be achieved. In case of a confirmed outbreak, the OIE listed diseases are not the only diseases that require immediate notification. All diseases listed as controlled diseases in South Africa according to the Animal Diseases Act (Act 35 of 1984) require notification to the Provincial veterinary authority. For rainbow trout, this includes all the diseases listed by the OIE, any other exotic diseases as well as Bacterial Kidney Disease (BKD) and Pancreatic Necrosis Virus (PNV). Furthermore it must be noted that the obligation of reporting a controlled animal disease according to Act 35 of 1984, is not only upon the confirmation of this disease but upon the suspicion of infection by a controllable disease.

1.4 The MAWG made the following recommendations on the Environmental Risk Assessment (ERA):

- The disease risks were evaluated as moderate in the assessment without any real motivation as to how the scores were achieved. The text provided as motivation for this part of the assessment is not relevant to the growth of trout in marine cages in South Africa. Since salmonids do not naturally occur in the South African marine environment, none of their natural parasites and pathogens would be prevalent. Parasite diversity on exotic species is generally low as few parasites are introduced with them and only some local parasites with broader host ranges, such as *Neoparamoeba perurans* can colonise them. The potential diversity of pathogens does not however affect the likelihood of disease

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occurrence in this case and as such and the probability rating for disease occurrence as 4 (Probably). The event will probably occur in most circumstances, say once a year, based on the history at the site and the prevalence of gill amoeba at the current operation. This raises the overall rating to 7 which elevates the rating to significant and requires more senior level intervention and responsibility.

- 1.5 The MAWG re-evaluated the EMPr and the ERA in May 2016 and was satisfied the above-mentioned concerns were adequately addressed.
- 1.6 The Department through the MAWG considered this application and recommended that the application for a long term Right should be supported.

2. DECISION

- 2.1 In reaching the decision, the following were carefully considered:
 - a. the application submitted by the applicant;
 - b. the Marine Living Resources Act, 1998 (Act No. 18 of 1998);
 - c. the Marine Aquaculture Policy which was gazetted in 2007;
 - d. the invitation to apply for Rights to engage in marine aquaculture culture activities (excluding marine ranching) published as in the Government Gazette as General Notice 313 of 2009.
- 2.2 This application is for a long term Right to engage in marine aquaculture and the applicant intends to the further on-grow orainbow trout (*Oncorhynchus mykiss*), atlantic salmon (*Salmo salar*), brown trout (*Salmo trutta*), king salmon (*Oncorhynchus tshawytschia*) and coho salmon (*Oncorhynchus kisutch*) at the allocated sea space in Saldanha Bay.
- 2.3 It was noted that the application poses a low threat to the environment and has minimal level of destruction to the natural habitat. The applicant has submitted an Environmental Management Plan and was advised by the Department of Environmental Affairs that the proposed development does not constitute any listed activity as defined in terms of the National Environmental Management Act (NEMA): Environmental Impact Assessment of 2014 as amended and therefore does not require a basic assessment.

- 2.4 Molapong Aquaculture (Pty) Ltd has 20.47 % black ownership and it is a Level eight (8) contributor in terms of the amended Broad Based Black Economic Empowerment (BBBEE) Codes of Good Practice of May 2015.
- 2.5 The company will be contributing to the development of the aquaculture industry by providing private investment into the aquaculture sector, creating permanent job opportunities for PDI's in the fishing community and supporting other BEE compliant businesses when procuring farm equipment and services.
- 2.6 The applicant as outlined in the Business Plan that it endeavours to apply itself towards identifying opportunities that could contribute to local Community Development and Empowerment.
- 2.7 The company indicated that 36 employees will be appointed, the number of employees and the BBBEE status will increase as the production output increases. The downstream stream jobs will be created on the processing side where more jobs will be created. The company has proven that they will be operating an economically sound, transformed company. Thus, Molapong Aquaculture (Pty) Ltd has fully complied with the socio-economic related components of the Right application.
- 2.8 Based on the recommendations made by the MAWG, I have decided to grant the applicant, Molapong Aquaculture (Pty) Ltd with a long term Right to engage in marine aquaculture activities in terms of Section 18 of the Resources Act, 1998 (Act No. 18 of 1998). The applicant is hereby authorized to further on-grow rainbow trout (*Oncorhynchus mykiss*), atlantic salmon (*Salmo salar*), brown trout (*Salmo trutta*), king salmon (*Oncorhynchus tshawytschia*) and coho salmon (*Oncorhynchus kisutch*) in Saldanha Bay.



MR BELEMANE SEMOLI

CHIEF DIRECTOR: AQUACULTURE AND ECONOMIC DEVELOPMENT

DATE: 08/June/2016

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