Compliance Evaluation and Certification of Environmental Regulation for Aquaculture in Chile

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Background

Aquaculture in Chile is marine based, producing mainly salmon, trout, mussels, abalone, oysters , scallops and algae

Background

- **There are around 3.000 authorized concesions in Chile, mainly in the III-IV and X-XI regions**
- **Aquaculture uses a surface of ca. 23.000 hectars**
- **Production in 2006 was aprox. 800.000 ton and 1.500.000 ton are expected by 2015**
- **Each year the Government receives ca. 900 applications for new licences**

Aquaculture locations

Facts

- **The Chilean Government is committed through BTAs and RTAs to demonstrate compliance of own environmental regulations**
- **The growth in the aquaculture industry has a direct relation to Governmental open-market-policy**
- **The Government also supports and helps in the exportation of aquaculture products**
- **The Chilean aquaculture sector is an important global producer of salmonids, algae, mussels, abalone and scallops.**
- **Control capabilities by Govt. agencies is limited**

Facts

- **Farmers have the obligation to submit an annual report of the environmental conditions for each farm**
- **There are “reasonable doubts” about quality of the data**
- **There is no register of consultants and they depend on direct contracts from farmers**
- **The total private cost of the reports is aprox. USD 4 M**
- **The export value of aquaculture was USD 2.2 B in 2006**

Origin of the Certification System

- **Necessity to increase compliance of environmental regulation to assure sustainability**
- **Necessity to improve quality of environmental reports**
- **Necessity to normalize, standardize and opportunely use the data and information that is collected**
- **Necessity to optimize the use of private and public resources invested in compliance and control**
- **Necessity to comply with BTAs and RFTa and the OECD environmental evaluation**

The TCP CHI / 3002

- **The Chilean Govt. asked FAO for technical assistance to create a certification scheme**
- **A team of consultants were contracted in 2006 to develop a certification system**
- **FAO Headquarters in Rome and Regional Office were highly involved**
- **Counterparts were environmental and fisheries authority**
- **A highly participatory methodology was developed to seek stakeholder agreement**
- **Final report was presented in December 2006**

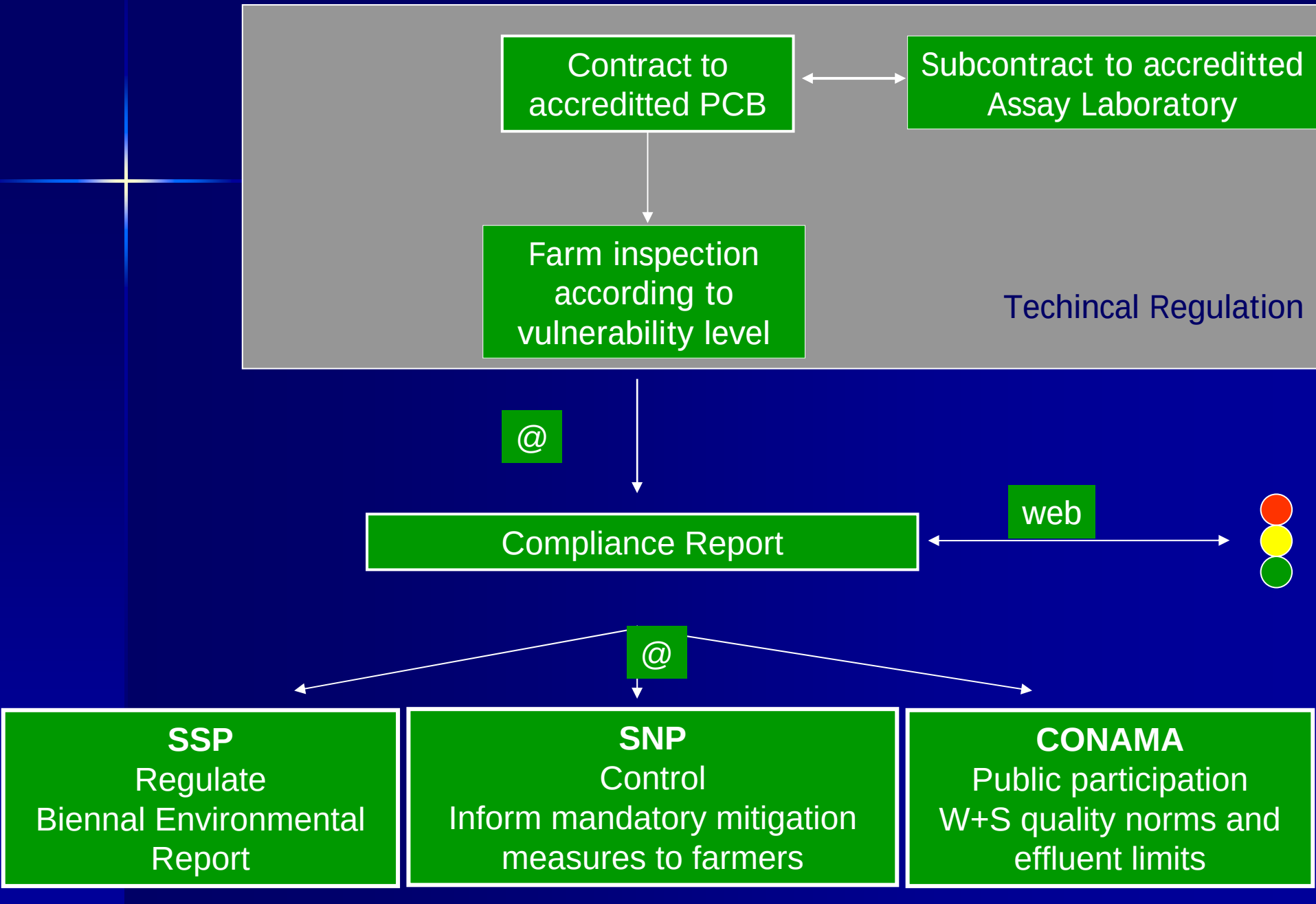
Main objective

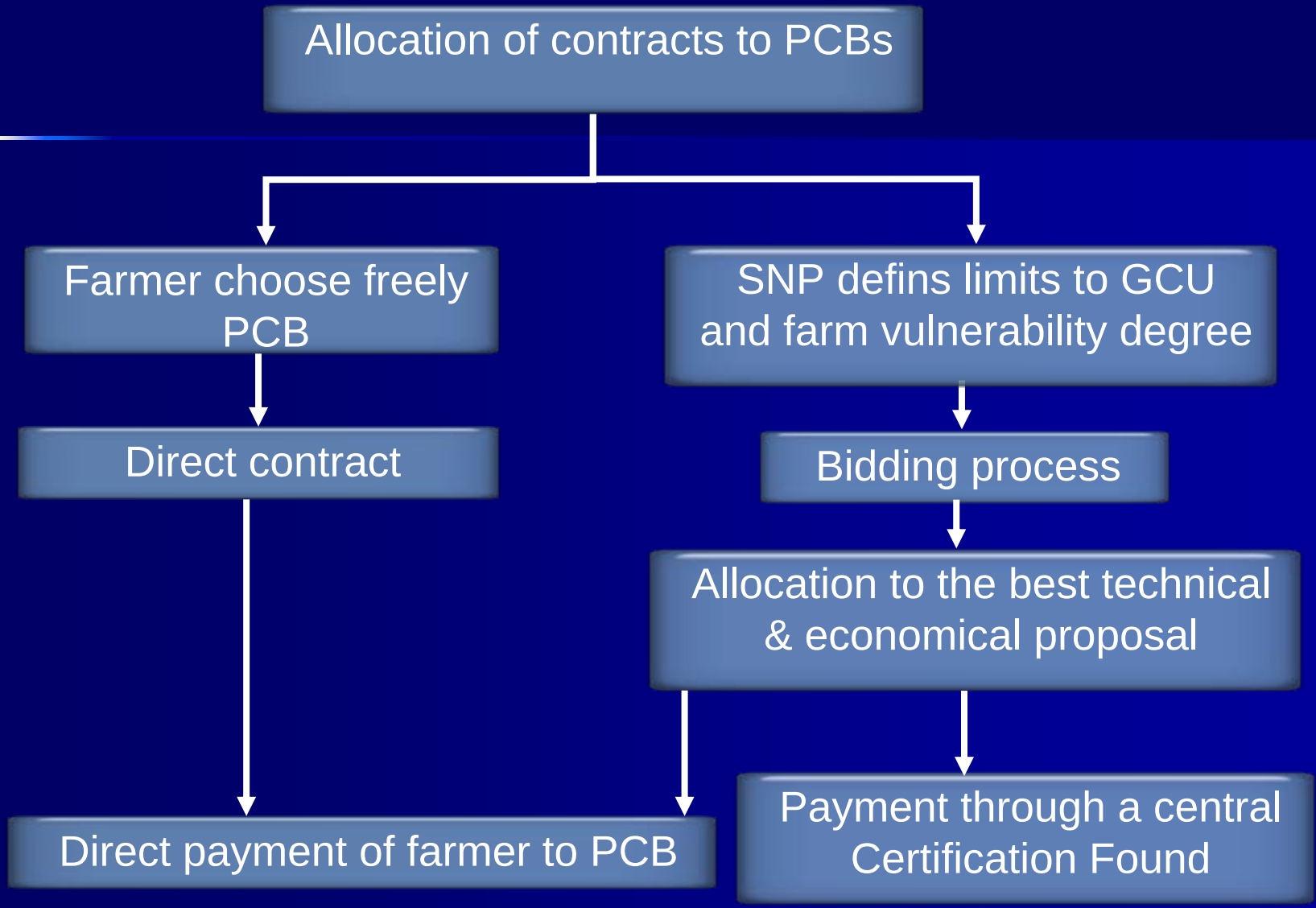
To strengthen the compliance of the environmental regulation for aquaculture, by means of a compliance evaluation and certification system

Principles

- **Sustentability**
- **Oportunity**
- **Gradualism**
- **Co-responsability**
- **Efficiency**
- **Transparency**
- **Independency**
- **Participation**

Operation of the System




Allocation of contracts to PCBs
Farmer choose freely PCB
Direct contract
SNP defins limits to GCU and farm vulnerability degree
Bidding process
Allocation to the best technical & economical proposal
Direct payment of farmer to PCB
Payment through a central Certification Found

Why a bidding process in Geographical Certification Units?

- **Assure independency, since economical relation between farmer and consultant is broken**
- **Assure the best price for the farmer**
- **Assure quality, since bidders can participate only if they are accredited by national accreditation authority**
- **Certifier will be responsible for the monitoring in their specific area, which will allow elaboration of ecosystem based information**
- **Private sector can undertake more efficiently this task**
- **Will enable larger economies, since there will be one certifier per Geographical Unit and audit effort is related to risk**

Inspection degree

- **According to vulnerability level**
- **Vulnerability is determined by NFS according to 5 aquaculture cathegories, public denuncies, site location and history**
- **Most small scale farms are defined as low vulnerable**
- **General documentary obligations will be audit in every farm with the same periodicity**
- **Sediment & water condition will be inspected with higher periodicity only in high vulnerable farms**
- **There will be also a small percentage of random sediment controls in those not selected**
- **Voluntary certification will be possible upon request**

Financial source

- **Funded by farmers according to their cathegories and distances to Geographical Unit center.**
- **Higher prices for high vulnerable farms**
- **Special prices for voluntary audits**
- **Prices for all different cases must be stated in bidding contract**

What next?

- **It was created a special unit to implement, as mandatory, the certification system for aquaculture**
- **It is in the discussion if applies only for intensive aquaculture or by vulnerability level**
- **Basic Principle: Freedom to produce if compliance to Environmental Quality Objectives is demonstrated**