

**STATEMENT OF DECISION**  
**APPLICATION TO VARY AN AQUACULTURE LICENCE**

**File Number:** fA671243  
**Applicant:** WildBlue Holdings Pty Ltd  
**Application Date:** 4th July 2022  
**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* (Explanatory Notes), which provides explanations, comments and additional information relating to Statements of Decision made in respect of applications for grant or variation of aquaculture licences. The document is available at:

[http://www.fish.wa.gov.au/Documents/Aquaculture/sod\\_assessment\\_criteria\\_explanatory\\_notes.pdf](http://www.fish.wa.gov.au/Documents/Aquaculture/sod_assessment_criteria_explanatory_notes.pdf)

## 1. DETAILS OF THE APPLICATION

### Background facts

WildBlue Holdings Pty Ltd (ACN 103 415 345) (“WBH”) is the holder of Aquaculture Licence No.1655 (“the Licence”).

The Licence authorises the culture of the following seaweed genera and species:

*Dumontiaceae, Gigartina spp., Eucheuma denticulate, Eucheuma gelatinous, Eucheuma speciosum, Gelidiaceae spp., Meristotheca papulose (jigunacai) Portieria hornemannii, Pterocladia lucida, Pyropia spp., Solieria robusta Caulerpa lentillifera, Asparagopsis taxiformis*

Under the Licence the authorised site is located off Pelsaert Island in the Abrolhos Islands (**Attachment 1**).

### Details of the Licence variation application

On 4 July 2022, WBH 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 Licence. The application fee, an updated Management and Environmental Monitoring Plan (“MEMP”) and additional information were submitted with the application.

In its application, WBH seeks to vary its Licence to add a site (in Schedule 2 of the Licence). The proposed additional site encompasses a 4.396-hectare area off Pelsaert Island (**Attachment 2**).

## 2. RELEVANT CRITERIA TO BE SATISFIED

Consultation was undertaken according to the process set out in *Administrative Guideline No. 1 Assessment of Applications for Authorisations for Aquaculture and Pearling in Coastal Waters of Western Australia, August 2017* ("AG1"); that is, with relevant Government agencies and representative community and industry groups and included the opportunity for public comment. **Attachment 3** provides a summary of the consultation process.

I have read and considered **Attachment 3**. Where relevant, those matters arising out of the consultation process that are of greater significance are referred to below.

On the basis of the Explanatory Notes, s.142(1)(a) of the Act provides for an authorisation to be varied and that the matters in s.92 and s.92A of the Act require consideration.

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

1. The criteria specified in s.92(1) of the Act; 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

WBH has been culturing various seaweed species at its existing licenced sites in the Abolhos Islands since 2018. During this time WBH has developed knowledge to ensure the successful aquaculture of various species of seaweed, including the optimum infrastructure, methods and environmental conditions to successfully grow out the proposed species. WBH's director has travelled and worked in Asia, has seen firsthand the development and growth of the seaweed aquaculture industry and uses this experience to inform WBH's aquaculture business. The additional site will be used primarily for the production of the seaweed species *Eucheuma speciosum*, for which market demand is increasing.

- Honesty

I have no reason to believe WBH does not meet the concept of honesty. WBH operates under the requirements of the Act and according to its Licence conditions.

- Ability

WBH's Director has developed an intimate knowledge of the local area through close monitoring of the seasonal environmental conditions required to safeguard the culture

of the naturally occurring seaweed species. WBH's Director has extensive fishing business experience including hatchery operations and hands-on experience working in various marine environments. From the information provided, WBH clearly has competency in seaweed aquaculture and a history of accurate record keeping. By conducting its own research and development, WBH has refined its aquaculture techniques, which have proven successful for the culture of *Eucheuma speciosum* and will be applied at the proposed new site.

With respect to the matter of persons acting on behalf of the licence holder, WBH is a company and accordingly must act through natural person 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" WBH, so cannot authorise independent contractors or "lessees" to carry out aquaculture. WBH 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, on balance, I consider WBH is "fit and proper" to hold a licence to conduct aquaculture of the proposed species at the authorised site.

**(b) Tenure**

WBH has submitted an aquaculture lease application under s.97 of the Act in respect of the Licence.

Accordingly, I consider that WBH will have appropriate tenure over the authorised sites.

**(c) Better interests**

The seaweed aquaculture industry is an emerging business, with little currently known about natural abundance, distribution, seasonal dynamics and cultivation techniques. WBH's seaweed aquaculture proposal will contribute to industry knowledge for the commercial aquaculture of seaweed species, within the State and nationally.

This information will include contributing to seaweed research by working with species considered to have high value extracts. WBH has leased commercial land-based premises in Geraldton to facilitate processing of seaweed products. In the last two years WBH has employed local people to assist with operations and intends to employ up to ten staff to work at the processing facility.

WBH has developed a seaweed product that has increasing demand within the domestic and international markets and established seaweed markets through a market opportunity identified by the Mid-West Regional Development Commission.

By reason of the above considerations, I am of the view that the grant of the variation 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.

In respect of diseases and pests, WBH operates under controls imposed through licence conditions and a MEMP, which include 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 have a high level of confidence in the ability of WBH to detect known disease agents.

I am not aware of any reported introduction of disease pathogens or pests caused by movement of fish to the site. I note that occasionally the Department Diagnostics and Laboratory Services (“DDLs”) 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 DDLs to determine requirements for disease testing.

Given the biosecurity protocols in place for the existing site and the controls imposed, or that may be imposed, over the movement of the proposed species, I consider the threat of disease or pest introduction to be low.

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

I consider the threat of disease or pests being introduced to the site and surrounding areas generally to be low, given the biosecurity protocols in place and the controls imposed, or that may be 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 at Pelsaert Island for several 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*

WBH will place infrastructure and moorings away from any sensitive habitats, ensuring that moorings have a shallow depth and are unable to move laterally avoiding contact with coral. Infrastructure is monitored and maintained to prevent gear breaking free and damaging any nearby coral. The proposed site will be accessed by way of jet skis, thereby minimising disturbance to the benthos within a shallow water site.

Therefore, I consider that there would be minimal environmental impact arising from the use of the described aquaculture gear.

### *b. Removal of the aquaculture gear*

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

## *3. Environmental impact*

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

I have noted that this variation is for the addition of a site, not species. The species authorised on the Licence do not require supplementary feeding; consequently, there will be no increase in nutrient levels arising from the introduction of manufactured feeds. I therefore consider the variation to include a new site will have minimal impact on the surrounding environment. WBH will monitor sea surface temperature and storm activity to mitigate the potential impact of macroalgae mass die-off that could impact local nutrient dynamics.

Therefore, I consider that the matter of environmental impact has been sufficiently addressed through 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 or 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 the criteria in s.92(1) of the Act, in respect of the variation application.

## **2.2 The MEMP**

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

I have noted the licence condition requiring a full MEMP review to be undertaken in two years from the date of approval.

As such, I approve the MEMP provided by WBH (**Attachment 4**).

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 disclosed 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.

### **3.1 Potential disadvantages of variation**

**(a) Genetics, diseases and pests**

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

I have considered the issue of disease and pest introduction earlier at part 2.1(d)(1) of this decision and concluded sufficient controls will be in place and that this issue will be unlikely to have any detrimental impact.

To address the risk of disease development *in situ*, additional testing of the proposed species at the licensed site can be required through Licence conditions.

I have noted the issue cannot be about eliminating all risk; otherwise, aquaculture operations in the marine environment would not be able to proceed. That is contrary to the object and operation of the Act. The task, therefore, is to reduce the risk of disease outbreak to an appropriately low level by identifying and assessing biosecurity, environmental and other risks and implementing management strategies and controls to reduce the risks. This is addressed primarily through biosecurity controls imposed through the MEMP and licence conditions.

### **(b) Environmental impact**

The MEMP provides an environmental monitoring program developed to ensure the proposed aquaculture activity will be unlikely to have any significant impact on the environment and that any impacts that may occur will be managed effectively.

Seaweed aquaculture in Western Australia is an emerging industry. It is expected that the MEMP may undergo a full review two years from the date of approval. The review will ensure that the MEMP meets all necessary environmental monitoring parameters to maintain sustainability and ensure environmental risk is mitigated as the seaweed aquaculture industry grows.

WBH aims to establish a sustainable commercial seaweed operation and processing facility. The strong environmental sustainability focus of the company is demonstrated through many of its business values, which include growing macroalgae in a pristine Western Australian environment to harness carbon capture and storage.

The seabed at WBH's licensed site is predominantly sand but does include sensitive benthic habitats. Infrastructure is purposely deployed over sand to avoid any sensitive coral habitats and WBH will carry out regular monitoring to detect changes in nearby coral populations. Baseline surveys of the licenced area have established that seaweed aquaculture will have no appreciable effect on water and sediment quality. Should environmental monitoring detect an impending storm or increase in temperature that may lead to mass macroalgal die-off, appropriate response protocols have been identified in the MEMP. Only seaweeds that naturally occur in the area will be cultured and the MEMP has allowed for a risk assessment to be carried out regarding stocking density of all species on the licence, their compatibility with each other and any potential impact to the wild populations.

The MEMP identifies an environmental monitoring program, which will form the basis of an annual report that will be submitted to the Department in line with standard License conditions.

WBH proposes to use cuttings from existing stock that will be used to thread through lines. WBH also has an existing Ministerial exemption which authorises it to collect seaweed fragments from local broodstock collected within a one nautical mile radius of the Wallabi, Easter and Pelsaert Island Groups.

Given the information provided in the MEMP, I am of the view that the proposed aquaculture activity could be implemented without significant deleterious impacts on the environment. Existing aquaculture legislation and adaptive management mechanisms provide further confidence that the aquaculture industry can be developed sustainably.

Given the information set out above, I am of the view there are sufficient controls in place to manage any environmental impact

***(c) Impact on compliance and resourcing***

I do not consider that compliance activities undertaken to enforce the varied Licence conditions in this case will be unduly onerous, as they should fall within the usual activities of the Department.

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

The variation to the Licence is for the addition of a site, so even with the placement of additional longlines, the variation is unlikely to substantially limit access to waters.

***(e) The possible impact on navigation***

The Department referred the proposal to the Department of Transport, which considered the site to be a Category 1 as defined in the document "Guidance Statement for Evaluating & Determining Categories of Marking and Lighting for Aquaculture and Pearling Leases/Licences 2019".

***(f) The possible impact on recreational fishing***

The variation to the Licence is for the addition of a site. The proposed additional area will not have any impact on recreational fishing.

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

The variation to the Licence is for the addition of a site, so, as with recreational fishing, the variation will not have any impact on commercial fishing.

### **3.2 Potential advantages of variation**

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

There are numerous reasons why the site location is suitable for the proposed activity, including that the natural features of the sites satisfy the biological requirements for growing the species authorised on the Licence. The proposed site is an area of shallow calm water, providing an optimum environment to safely manage seaweed aquaculture gear and mitigate an identified shark hazard risk to divers. Shallow water

also allows the seaweed to develop a lighter colour which assists in the marketing of the product.

The nearby existing licensed sites have been in operation for some time and all species already occur naturally within the local environment.

I am of the view that, for the reasons set out above, the location is suitable for the aquaculture of the proposed species.

***(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***

The establishment of aquaculture operations in regional areas has the potential to add to the economic growth of the region and increase local employment. Existing aquaculture farms around the State are already providing employment opportunities.

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 about 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, the distribution and abundance of seaweed species, benthic communities and habitat, marine environmental quality, monitoring and marine fauna.

The scientific knowledge developed from the proposal would not only increase the efficiency of the commercial activity, but also provide a basis for adaptive management by the Department and assist further development of seaweed aquaculture policy.

***(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.

## 5. LICENCE CONDITIONS

The conditions on the Licence being varied have been reviewed.

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

### LICENCE CONDITIONS

#### 1. Interpretation

(1) In the conditions on this licence –

**DPIRD** means the Department of Primary Industries and Regional Development;

**Pathologist** means an employee of, or contractor to, a laboratory facility that is accredited for Anatomical Pathology testing by the National Association of Testing Authorities, Australia, and who is a registered veterinarian with relevant post graduate qualifications in diagnostic procedures;

**DPIRD Pathologist** means the officer(s) occupying a Veterinary Pathologist or Aquatic Veterinary Pathologist position in the DPIRD's Diagnostics and Laboratory Services (DDLS); and

**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;
- Department;
- record.

#### 2. Requirement for legal right to authorise activity.

The holder of this licence must always maintain in force, the legal right to use the site. The legal right to use the site must be a lease or licence granted in accordance with the power conferred under the *Land Administration Act 1997*, or under section 92 or 97 of the *Fish Resources Management Act 1994*.

#### 3. Disease, mortality and pest reporting

Where the licence holder –

- (1) suspects that any fish at the site are affected by disease, including any suspicion or detection of a declared pest (as defined under the Biosecurity and Agriculture Management Act 2007) or suspicion or knowledge that fish are harbouring a noxious species (as defined under the Fisheries Resources Management Act 1994); or
- (2) becomes aware of any significant or unusually high levels of fish mortality, caused by disease or otherwise, the licence holder must –
  - (a) Report to DPIRD as soon as practicable (and within 24 hours) by calling 1300 278 292 (all hours) the level of mortality, signs of disease or reason for suspecting the presence of a disease or declared pest; and
  - (b) follow the directions of the DPIRD's Diagnostics and Laboratory Services in relation to providing reports, samples of fish, or any other relevant item; and
  - (c) Collect, retain, and provide suitable samples of the fish for confirmatory testing as instructed by the DPIRD Diagnostics and Laboratory Services.

#### **4. Management and Environmental Monitoring Plan (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.

#### **5. MEMP Report**

The licence holder must:

- (1) at all times comply with and implement the latest MEMP prepared by the licence holder, and delivered to the Department; and
- (2) before 31 July each year, submit to the CEO, 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.
- (3) ensure that the MEMP is updated every two years at the time the licence is renewed and submitted to the CEO for approval.
- (4) ensure that a species listed in Schedule 1 of this licence is not present at the location listed in Schedule 2 unless:
  - (a) A risk assessment for that species has been included in the current MEMP; or
  - (b) The MEMP is updated with a risk assessment for that species and has been submitted to the CEO for approval.

#### **6. Marking and Lighting**

- (1) Marking and lighting of the marine site must be installed and maintained in accordance with Category 1 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 (1) must be installed before any aquaculture activity is undertaken at the site.
- (3) No marking is required if the site is only used for bottom culture where to top of the aquaculture gear is at least five metres below the surface at lowest tide.

## **7. Aquaculture gear**

- (1) Aquaculture gear must be used in such a way that it does not damage any reef, coral or seagrass bed.
- (2) 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.
- (3) Upon termination, non-renewal of the licence or cessation of the aquaculture activity, the licence holder must remove from the area all property, aquaculture gear, refuse and debris belonging to the licence holder and restore the area to a condition approved by the CEO.
- (4) Aquaculture gear that is to be moved from one location to another must be completely air dried and biological waste disposed of on land prior to being installed in its new location. The licence holder can contact Aquatic Pest Biosecurity ([aquatic.biosecurity@dpiird.wa.gov.au](mailto:aquatic.biosecurity@dpiird.wa.gov.au)) for guidance.

## **8. Use of aquaculture gear for the collection of seed stock**

The licence holder must ensure that:

- (a) Collection of seedstock must only be from existing aquaculture gear within the boundary of the site as set down in Schedule 2 of this licence; and
- (b) accurate records are made and kept of the estimated weight and numbers of seed stock harvested from the aquaculture gear and make those records available to an authorised DPIRD Fisheries Officer at any time.

## **9. Record keeping**

- (1) The licence holder must make accurate and timely records of –
  - (a) the aquaculture gear used at the site; and
  - (b) all mortalities at the site, both in total and as a percentage of total stock held at the site at the time.
- (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 Fisheries Officer at any time.

#### **10. Jetties (if site in Abrolhos Islands)**

- (1) No aquaculture activity is to be conducted on or above any jetty unless the jetty has been assessed by a qualified structural engineer, and the engineer has issued a certificate specifying the working load limit of the jetty.
- (2) No aquaculture activity is to be conducted on or above any jetty unless a copy of the working load limit certificate is kept at the jetty for inspection at any time by any Fisheries and Marine Officer and the working load limit specified in the certificate is not being exceeded. The original certificate must be kept safe and secure as a record of compliance with this condition.

#### **11. Interaction with protected species**

Any interactions between any aquaculture gear at the site and any protected species, including entanglements or stranded animals must be immediately reported to the Department of Biodiversity, Conservation and Attractions' (DBCA) Wildcare Hotline on (08) 94749055 (24hr emergency number), the DBCA's Nature Protection Branch on (08) 9219 9837 and the local DBCA District Office.

### **DECISION**

On the basis of the above and subject to the amendment of the licence by imposing conditions referred to above, I have decided to vary the Aquaculture Licence No.1655, submitted by WBH to include a 4.396-hectare site off Pelsaert Island.

I have also decided to delete the existing conditions on the Licence and impose new conditions on the Licence under s.95 of the Act. The new conditions to be imposed are as set out above at part 4 of this statement of decision.



Bruno Mezzatesta

**DEPUTY DIRECTOR GENERAL, Sustainability and Biosecurity**

As delegate of the CEO, Department of Primary Industries and Regional Development

Dated this 2<sup>nd</sup> day of November 2022

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*