Resolution GFCM/41/2017/2
on guidelines for the streamlining of aquaculture authorization and leasing processes

The General Fisheries Commission for the Mediterranean (GFCM),

RECALLING that the objective of the Agreement for the establishment of the the General Fisheries Commission for the Mediterranean (GFCM Agreement) is to ensure the conservation and sustainable use, at the biological, social, economic and environmental level, of marine living resources, as well as the sustainable development of aquaculture in the GFCM area of application;

RECOGNIZING the important contribution of aquaculture to economic development and its essential role as a source of food and income for coastal communities of contracting parties and cooperating non-contracting parties (CPCs);

CONSISTENT WITH the Code of Conduct for Responsible Fisheries of the Food and Agriculture Organization of the United Nations (FAO), in particular Article 9, which, *inter alia*, calls upon states to develop and regularly update strategies and plans, as required, with a view to ensuring that the development of aquaculture is environmentally sustainable and to enabling the rational use of shared resources between aquaculture and other activities;

CONSIDERING the United Nations Sustainable Development Goals (SDGs), and more specifically SDG 14 "Conserve and sustainably use the oceans, seas and marine resources for sustainable development", of which Target 7 aims "by 2030, [to] increase the economic benefits to Small Island Developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism";

ACKNOWLEDGING the 2017 Malta MedFish4Ever Ministerial Declaration that commits signatories to implement actions in support of sustainable aquaculture development to contribute to food security through the implementation of a strategy for the sustainable development of Mediterranean and Black Sea aquaculture which will support, *inter alia*, sustainable farming, as well as enhanced market access and trade environment, thereby creating employment opportunities and reducing the current stress on marine capture fisheries;

ACKNOWLEDGING that, at its thirty-ninth session (Italy, May 2015), the GFCM agreed to develop regional guidelines on the simplification of administrative procedures to streamline aquaculture authorization processes;

RECOGNIZING the need to have a regulatory and administrative framework dedicated to aquaculture in order to ensure a sound development of the sector;

AWARE of the necessity to adopt a common terminology related to the aquaculture authorization and leasing processes in CPCs;

TAKING INTO ACCOUNT the need to support the development of the sector also during applications for licences and lease to operate an aquaculture activity;

ADOPTS, in conformity with Articles 5 and 8 of the GFCM Agreement, the following resolution:

1. CPCs should facilitate the implementation of the guidelines for the streamlining of aquaculture authorization and leasing processes as reproduced in Annex.

Annex

GUIDELINES FOR THE STREAMLINING OF AQUACULTURE AUTHORIZATION AND LEASING PROCESSES

BACKGROUND

Aquaculture production in the Mediterranean and the Black Sea has steadily grown over the past decades and this trend is projected to continue. The industry is a key player to achieve food security, employment and economic development and it is characterized by a wide range of production systems, farmed species and technologies in use.

Authorization and leasing processes are among the main constraints hampering the development of the sector in the Mediterranean and the Black Sea. Indeed, they tend to be lengthy and cumbersome and constitute *de facto* barriers to the industry development.

The regulatory constraints facing aquaculture and the need for coordination to streamline authorization processes were acknowledged at the regional and international level, including at the Regional Conference "Blue Growth in the Mediterranean and the Black Sea: developing sustainable aquaculture for food security" (Italy, December 2014) organized by the General Fisheries Commission for the Mediterranean (GFCM).

SCOPE

The overall objective of the guidelines is to support contracting parties and cooperating non-contracting parties (CPCs) in streamlining authorization and leasing procedures in order to facilitate the development of aquaculture. This would be achieved through the provision of guiding principles and minimum common criteria and should: i) create an enabling environment for aquaculture development and foster viable investments; ii) facilitate the harmonious development of aquaculture; and iii) help achieving a level playing field in the region.

The guidelines specifically aim to:

- propose common definitions, concepts, standards and reference documents to contribute to enabling regulatory frameworks;
- support coordination among the various bodies responsible for aquaculture-related matters; and
- promote soft-law mechanisms to simplify administrative procedures for authorization and leasing processes.

NATURE

The guidelines are advisory in nature and consistent with existing national, supranational and international instruments. They should be considered a tool at the disposal of CPCs to enhance existing processes.

Competent bodies should assess and monitor the implementation of these guidelines.

PRINCIPLES

The guidelines rely on the principles of good governance, efficiency, transparency, accountability and social responsibility. They are based on the best available knowledge in terms of good practices in administrative and public sector management, efficient regulatory and administrative frameworks and participatory policy-making processes.

TERMS AND DEFINITIONS

For the purpose of the guidelines, the following definitions shall apply:

- "**Aquaculture**": the farming of aquatic organisms that implies some sort of intervention in the rearing process to enhance production. Farming also implies individual or corporate ownership of the stock being cultivated (adapted from the FAO glossary of aquaculture).
- "**Aquaculture authorization process**": the series of procedures necessary to obtain a licence.
- "**Aquaculture licence**": authorizes the installation and operation of a facility in the water and describes the activity that can be undertaken. The use of a licence is usually restricted to a specific area, defined species, and specified limit of production (maximum allowed biomass) or stocking density.
- "**Aquaculture lease**": grants the exclusive right to use an area of water or state-owned submerged lands for marine aquaculture, usually for a defined period of time, in exchange of some sort of payment. The series of procedures necessary to obtain a lease shall be called "leasing process".
- "**Aquaculture consenting process**": includes authorization and leasing processes. Aquaculture consenting processes refer to all the actions to be undertaken by an investor through aquaculture consenting bodies within a given aquaculture consenting system to operate an aquaculture activity[1].
- "**Aquaculture consenting bodies**": include any body that is responsible for making decision and, where applicable, providing advice, on the aquaculture consenting process.
- "**Marine spatial planning**": a public process of analyzing and allocating the spatial and temporal distribution of human activities in marine areas to achieve ecological, economic, and social objectives that usually have been specified through a political process (UNESCO Intergovernmental Oceanographic Commission).
- "**Allocated zone for aquaculture (AZA)**": for coastal areas, an AZA is intended as a spatial planning system carried out at a local or national level, which is also: i) a marine area where the development of aquaculture is prior to other uses; and ii) an area dedicated to aquaculture, recognized by physical or by spatial planning authorities, which would be considered as a priority for local aquaculture development (adapted from the CAQ glossary).
- "**Environmental impact assessment (EIA)**": a set of activities designed to identify and predict the impacts of a proposed action on the bio-geophysical environment and on human health and well-being, and to interpret and communicate information about the impacts and potential mitigation measures (adapted from the FAO glossary of aquaculture).
- "**Environmental monitoring programme (EMP)**": the EMP for marine cage finfish farming is defined as a flexible and adaptable functional tool at the disposal of the authorities and the aquaculture industry for monitoring aquaculture management practices to ensure the environmental sustainability of the sector (adapted from the CAQ glossary).

INSTITUTIONAL BENCHMARKS

The guidelines take into account relevant international instruments, in particular those relating to the sustainable development of aquaculture and responsible fisheries, hereunder listed:

- The Codex Alimentarius developed by the FAO and the World Health Organization as from 1963, which is a collection of internationally recognized standards, codes of practice, guidelines, and

[1] Wherever applicable, leases and licences could also be renewed, amended, transferred, suspended or revoked. However, these guidelines address specifically the authorization and leasing processes for a new investor.

other recommendations relating to food, food production, and food safety[2].

- The FAO Code of Conduct for Responsible Fisheries, unanimously adopted by the 1995 FAO Conference, which has provided the first outline of a framework for international cooperation aimed at ensuring the sustainable exploitation of marine resources, and, in particular, its Article 9.1.1: "States should establish, maintain and develop an appropriate legal and administrative framework which facilitates the development of responsible aquaculture"[3].
- The 1998 Declaration on Fundamental Principles and Rights at Work of the International Labour Organization, that commits Member States to respect and promote principles and rights associated to the freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in respect of employment and occupation[4].
- The ecosystem approach to aquaculture (EAA) formalized in 2007 at an FAO expert workshop as "an ecosystem approach for aquaculture is a strategy for the integration of the activity within the wider ecosystem in such a way that it promotes sustainable development, equity, and resilience of interlinked social and ecological systems"[5].
- Marine spatial planning, according to "Marine Spatial Planning: a step-by-step approach toward ecosystem-based management", prepared in 2009 by the Intergovernmental Oceanographic Commission and Man and the Biosphere Programme of UNESCO. This document aims at setting up a successful marine spatial planning initiative that can help achieving ecosystem-based management[6].
- Environmental impact assessment, according to "Environmental impact assessment and monitoring in aquaculture" of the FAO, that introduces EIA and highlights its role in regulating the assessment of environmental effects of a wide range of public and private projects including aquaculture, which are likely to have significant effects on the environment[7].
- The twenty-ninth session of the FAO Committee on Fisheries (COFI) (31 January–4 February 2011), that provided recommendations on the role of FAO for the improved integration of fisheries and aquaculture development and management, biodiversity conservation and environmental protection[8].
- The Technical Guidelines on Aquaculture Certification, developed by FAO upon the request of the third session of the COFI Sub-Committee on Aquaculture (India, September 2006) and adopted at the twenty-ninth session of the COFI, that provide advice on developing, organizing and implementing credible aquaculture certification schemes[9].
- Resolution GFCM/36/2012/1 on guidelines on Allocated Zones for Aquaculture (AZAs) that

[2] FAO/WHO. Codex Alimentarius Commission. Codex Alimentarius.
[3] FAO. Code of Conduct for Responsible Fisheries. FAO. 1995. 41 pp.
[4] ILO. Declaration on Fundamental Principles and Rights at Work. Geneva, International Labour Office. 1998. 13 pp.
[5] Soto, D.; Aguilar-Manjarrez, J.; Hishamunda, N. (eds). Building an ecosystem approach to aquaculture. FAO/Universitat de les Illes Balears. Expert Workshop. 7–11 May 2007, Palma de Mallorca, Spain. FAO Fisheries and Aquaculture Proceedings. No. 14. Rome, FAO. 2008. 221p.
[6] Ehler, Charles, and Fanny Douvere. Marine Spatial Planning: a step-by-step approach toward ecosystem-based management. Intergovernmental Oceanographic Commission and Man and the Biosphere Programme. IOC Manual and Guides No. 53, ICAM Dossier No. 6. Paris: UNESCO. 2009 (English).
[7] Environmental impact assessment and monitoring in aquaculture. Fisheries and Aquaculture Technical Paper. No. 527. Rome, FAO. 2009.
[8] Report of the twenty-ninth session of the Committee on Fisheries. Rome, 31 January–4 February 2011.
FAO Fisheries and Aquaculture Report. No. 973. Rome, FAO. 2011. 59 pp.
[9] FAO. Technical Guidelines on Aquaculture Certification. Rome, FAO. 2011. 122 pp.

invites GFCM CPCs to include in their national marine spatial planning strategy of aquaculture development and management, schemes for the identification and allocation of specific zones reserved for aquaculture activities and introduce the AZE and EMP concepts[10].

- The International Standard ISO 14004:2016, that provides guidance on the establishment, implementation, maintenance and improvement of a robust, credible and reliable environmental management system[11].

[10] FAO General Fisheries Commission for the Mediterranean. Report of the thirty-sixth session. Marrakech, Morocco, 14–19 May 2012. GFCM Report. No. 36. Rome, FAO. 2012. 71 pp.
[11] ISO 14004:2016. Environmental management systems — General guidelines on implementation.

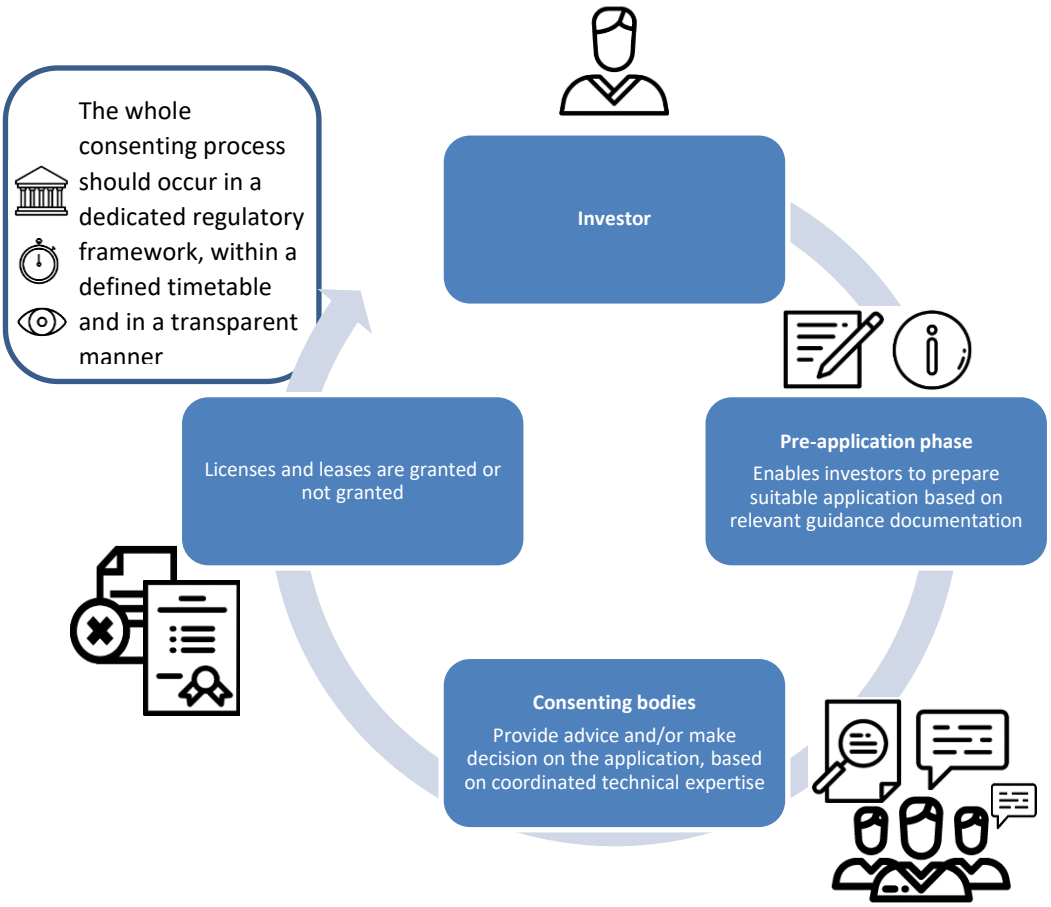

Figure 1: Streamlined aquaculture authorization and leasing processes

REGULATORY AND ADMINISTRATIVE FRAMEWORK

A regulatory and administrative framework dedicated to aquaculture should be ensured in order to reinforce the legal certainty of the aquaculture industry and enshrine its development in a sustainable manner within an appropriate governance framework.

Wherever necessary, a **specific law or regulation on aquaculture** should be issued and/or amended to improve the existing regulatory and administrative framework, with specific provisions on:

- **administrative procedures** and authorization processes for the granting of licences and leases, possibly included in a single authorization, ensuring the legal security of the investor and the granting body;
- the **use of the public domain** for aquaculture with reference to aquaculture planning (for new planning areas and areas with pre-existing development) and aquaculture site selection, with associated criteria and requirements;
- the use of **coordinated spatial planning and associated tools** (e.g. geographic information system);
- the **harmonization of aquaculture development plans** with other national and supranational spatial planning and plans, policies and programmes;
- the mandatory establishment of AZAs;

- the **quality of the environment** where aquaculture takes place by defining: water quality requirements, levels of chemical and ecological quality, levels of ecosystem and biodiversity protection, environmental monitoring; and
- the **establishment of mechanisms for communication, cooperation and coordination** among national authorities involved in planning, development, conservation and management of coastal areas.

The consistency of policy and legislation between different levels and sectors of the authorities should be promoted.

Soft and secondary law tools such as guidelines, voluntary schemes, etc. should be developed and adopted to simplify administrative procedures while ensuring legally robust licence determinations.

CONSENTING BODIES

The authorization processes for granting aquaculture licences and leases are associated with a number of rules and procedures involving various consenting bodies.

The **number of bodies involved in the consenting process should be kept to a minimum** in order to reduce the time lapse between application and final decision, consultationprocesses, avoid the duplication of the efforts deployed by investors and the overlapping of competences of consenting bodies.

The number of consenting bodies should be considered in order to **guarantee sufficient expertise** to obtain decisive advice and informed decisions based on the best available knowledge for the implementation of the activities of aquaculture.

A **coordinating body could be established** at the national level to enhance institutional and administrative coordination. It could comprise representatives from the different relevant public institutions/departments where specific expertise on aquaculture would be concentrated, and linked to existing national initiatives on aquaculture.

REFERENCE CONTACT POINTS

The establishment of a *reference contact point* for the aquaculture consenting process, such as in the "one-stop-shop" or "single-window" approach, should be considered. Such reference contact point could be housed at the national level (or at the appropriate first-level administrative division according to competences over aquaculture in the country, e.g. within regions, provinces, municipalities) within an existing competent authority which would then require the consent of other authorities, as appropriate. The establishment of an online platform for the submission, analysis and processing of licence applications could be envisaged; this platform could work in an interoperational manner with other systems in use by among all relevant aquaculture consenting bodies.

The reference contact points could bring the following benefits:

- act as a single contact that drives the whole aquaculture consenting process and make the submission of applications easier for investors;
- provide a general view on legislations and regulations governing aquaculture activities, thus enabling a streamlined and coordinated process, from submission to decision, so that consents are granted at the same time or in an appropriate sequence;
- provide an overview and proactive guidance on all stages of the authorization process from the pre-application phase to the decision phase, for all types of licences (marine finfish, marine shellfish, algae or seaweed farm, etc.) as well as the zones, production techniques and environmental requisites for aquaculture development;
- provide and make available consent application forms to investors to be downloaded and completed electronically; and

- facilitate an efficient dialogue between the investors and aquaculture consenting bodies, should additional information be required, and inform investors on contact details of key people in the aquaculture consenting bodies.

CONSENTING PROCESS

The consenting process should be facilitated by the formal establishment of AZAs, which are considered as a management tool for the sound integration of aquaculture within marine spatial planning and coastal areas. AZA establishment should be pursued to shorten the duration of the consenting process.

Criteria and parameters to identify suitable areas for aquaculture should be adopted, including, but not limited to:

- analysis of technical, logistical, social, economic and environmental parameters for the definition of ecosystem boundaries and the selection of areas;
- assessment of carrying capacity;
- assessment of the risks associated to aquaculture activities on the specific aquatic ecosystems and biodiversity (e.g. alien species; escapee; use of chemicals);
- assessment of the management measures identified and associated to the prevention of risks;
- identification of appropriate aquaculture farming technology to be adapted to each site and species to be farmed; and
- review of the existing users in the area to avoid competition among them.

The consenting process includes a series of procedures, from the preparation of administrative documentation to the release of licences and lease.

The consenting process is applied, but not limited to, the following decisions:

- aquaculture licence or aquaculture lease in a designated AZA;
- amendment of an aquaculture licence or aquaculture lease;
- renewal of an aquaculture licence or aquaculture lease;
- assignment of an aquaculture licence or aquaculture lease;
- special experimental licence or special experimental lease; and
- reallocation of an aquaculture site.

Pre-application phase

Before lodging an application, investors are required to prepare a series of documents to be submitted to the authorities. The pre-application phase is essential to the consenting process and should help investors better explain to the authorities the nature and expected performance of their investment.

The introduction of a pre-application phase for investors should be promoted to initiate discussions with aquaculture consenting bodies and ensure that the correct information is available to them before the full application is lodged.

The pre-application phase could, *inter alia*, help flag up issues, pre-empt progress on non-viable sites, provide advice to investors and enable a more efficient and focused application.

Clear procedures and assessment criteria for licence and lease applications that are coherent and comply with regulatory requirements should be established.

Documentation

General guidance documents

A **minimum set of guidance documents** to grant an aquaculture licences and lease for all types of aquaculture, and reflecting local provisions, should be made available to investors.

It should cover all the requirements relating to aquaculture operations. Among other things, guidance documents should:

- use a language that is simple, clear and understandable for the general public;
- provide consistent information among the aquaculture consenting bodies to improve the quality of applications, thereby reducing the time required for approval;
- list the competent authorities (e.g. Ministry of Fisheries, Ministry of Agriculture, Ministry of Environment, Ministry of Rural Development, etc.) which consent are required for the granting of licences and lease;
- explain the procedures and formalities to obtain an aquaculture licence and lease, possibly through explicative flowcharts indicating the actors involved and the time limits for each procedural step, including appeals processes;
- provide full guidance on protocol and required documents if there is a process prior to the pre-application phase itself;
- provide a detailed description of the required information to be provided by an investor for the full application, including:
    i) technical information: farming system and characteristics, farmed species and cycles, production capacity, annual feed consumption, plan of the whole farm integrating the different components, etc.;
    ii) environmental information: bathymetry, temperature, salinity, current speed, benthic community, sensitive habitats, etc.;
    iii) geographical information: maps and location of proposed farming area, area in AZAs, etc.;
    iv) economic feasibility and integrity of the project: capital investment i.e. equipment and construction cost budget, estimated unit production cost assumption**,** annual production planning projections, annual operating costs, financial ratios, return on investment analyses, etc.; and
    v) socio-economic information and benefits associated to the activities carried out in the surrounding areas, such as the job opportunities associated to the aquaculture activity.
- list the procedures relating to the operation and monitoring of aquaculture farms (EMP);
- describe the main procedures for the market of aquaculture products including food production and safety regulations in place; and
- provide a general view of legislations and regulations governing aquaculture activities.

Environmental Impact Assessment monitoring and guidance

The environmental impact assessment (EIA) varies significantly depending on each national, and sometimes local, context. Whenever applicable, the EIA could be included in the consenting process and facilitated by the reference contact point.

Guidance documentation on EIA should put the investors in a position to carry out a cost-effective and practical assessment. The authorities, at appropriate level, should indicate, when possible, environmental objectives and associated indicators, standards and reference points to ensure compliance with the provisions of national and supranational environmental regulations, as well as the associated timetable.

The EIA should indicate clear norms and rules, including rules to control and manage pollution and waste discharge as well as suggestions on how to introduce codes for better management practices.

Guidance documentation should also provide full information on the potential impacts of aquaculture on the different aquatic ecosystems, including environmental descriptors and standards and on the suggested procedures to apply to mitigate such impacts;

Feedback mechanisms to inform the pre-application stage and refine management systems for final submission should be established.

The whole environmental assessment, including EIA reports, should be transparent and understandable for the general public.

EIA and monitoring should be considered within a wider management framework. They should also be accompanied by an explanation on how the EMP should to be established, distinguishing the rules and responsibilities between the authority and the investors, and including clear procedures to be applied in the monitoring process.

Template and logbook systems on how environmental monitoring should be put at the disposal of investors.

The EMP results should be made available to the general public in an understandable way.

Facilitated licences

The facilitation, for a number of years, of specific types of aquaculture production, should be assessed.

Ad hoc licences or permissions for innovative or research aquaculture activities should be promoted and granted, in particular for those activities considering production that contributes to maintaining ecosystem services:

- Experimental development licences could be granted to activities that test, develop or adopt innovative farming systems and technologies (e.g. low carbon footprint), diversify production, that carry out basic and/or applied research, etc.
- Licences and leases could be granted for aquaculture activities that contribute to maintaining ecosystem services, such as shellfish and algae aquaculture which contributes to removing CO_2 from the environment, integrated multi-trophic aquaculture which helps creating balanced systems for environment remediation (bio-mitigation) through a combination of fed aquaculture with inorganic and organic extractive aquaculture, and aquaculture associated to marine protected areas which uses marine finfish and shellfish restocking for conservation purposes.

Timeframe

Within the consenting process, a timeframe broken down per months, should be set for each aquaculture consenting body (or step) to help investors plan their investment schedule.

The timeframe should detail the expected time for:

- pre-application assessment and advice provision, and
- the evaluation of the full applications and delivery of decisions, taking into account the current legislation in place and associated consenting bodies.

Licence and lease terms

Wherever applicable, aquaculture consenting bodies could also have the right to do one or more of the following: renew, amend, transfer, suspend and revoke aquaculture licences and leases.

The longest duration of the validity of licences and lease should be promoted, and a minimum of number of years should be ensured to enable secure returns on investment.

Validity and renewability conditions could be imposed on licences and leases to ensure the best use of leased marine areas. Such conditions could be based on compliance and performance criteria related to:

- environmental quality standards;
- gross or repeated contravention of the provisions prescribed in or pursuant to aquaculture regulations;
- cases for which the licence is not used, or it is only used to a limited extent; and
- facilitated licences conditions, etc.

Any breach of an underlying condition should result in licence and lease revocation or suspension and/or fettering of the renewal process.

INSTITUTIONAL CAPACITY AND COORDINATION AND PARTICIPATION OF THE GENERAL PUBLIC

Awareness on the relevance of aquaculture development for local and coastal communities should be enhanced among institutions. The institutional and administrative capacities of the consenting bodies should be strengthened at the national and the local level in order to increase the staff capacity to handle aquaculture and aquaculture consenting processes.

To this end, institutional mechanisms and programmes should be put in place and consider, among other things:

- knowledge sharing and communication flows on aquaculture development, authorization and leasing procedures;
- ad hoc capacity-building programmes to increase staff competencies, skills and practical capacity to cope with administrative aquaculture authorization and leasing procedures;
- availability of reference documents and guidelines that include the provisions of national and supranational environmental regulations (e.g. descriptors of the quality of the environment; criteria to assess the status of the environment; water quality requirements; potential impact and specific monitoring programmes and parameters to be assessed and followed) allowing for the development of aquaculture activities; and
- introduction of working methods and procedures for more effective institutions in responding to the needs of investors.

Participatory and consenting mechanisms and programmes involving local communities and other interest groups in aquaculture planning and development should also be put in place or enhanced, possibly through the setting up of multi-stakeholder platforms or other consultation committees aiming at increasing the social acceptability of aquaculture.

IMPLEMENTATION OF THE GUIDELINES

The particularities existing in the different stages of maturity industry in the area, according to regional specifities and to the different legal contexts in Mediterranean and Black Sea riparian countries should be taken into account. The capacity of developing states in the region should also be considered in implementing the guidelines.

To ensure their effective implementation and secure a level playing field in the region, these guidelines should be adaptive so that they can be adjusted, if necessary. Specific work to address implementation needs should be carried out, as appropriate, possibly through the provision of technical assistance.