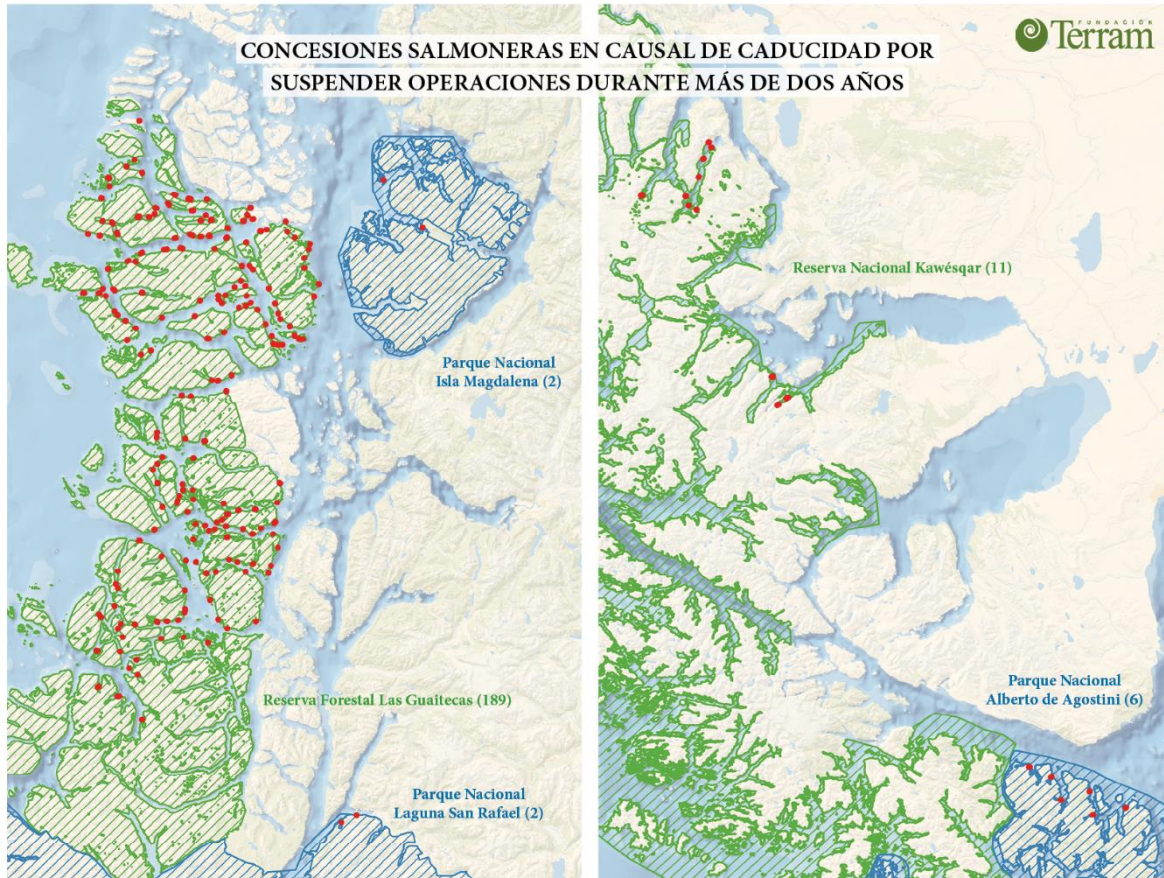


Salmon Farms in Protected Areas (part two):  
**76 CENTERS RESUMED OPERATIONS DESPITE INCURRING GROUNDS FOR  
TERMINATION**



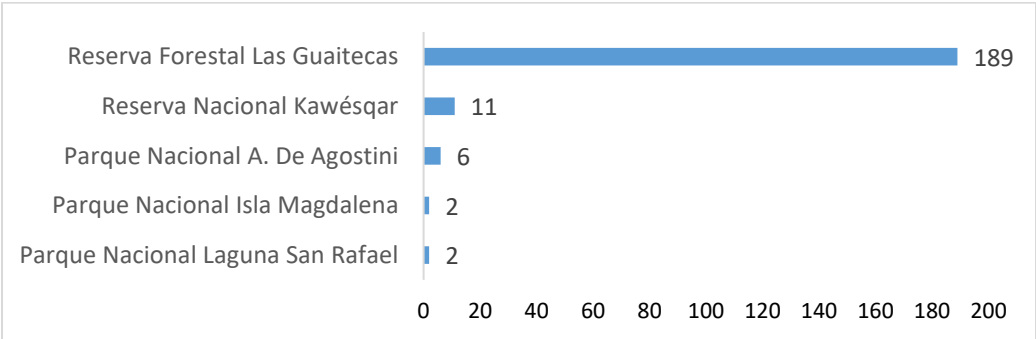
*210 salmon farming concessions located inside protected areas suspended operations for more than two years and, therefore, in accordance with Article 142 of the Fisheries and Aquaculture Act, they should have been terminated by the Undersecretary of the Armed Forces. Despite this, they all remain valid to this day, even though 55 of them were reported by the National Fisheries and Aquaculture Service between 2016 and 2022. This oversight by the authorities allowed 76 centers to resume activities, which would have allowed them to produce more than 533,000 tons of salmon destined for international markets, according to estimates based on their environmental permits, equivalent to US \$4.264 billion in sales.*

By Maximiliano Bazán, Terram Foundation journalist.

Among the grounds for termination of salmon farming concessions established in the General Fisheries and Aquaculture Act (LGPA), there are two that are related to the non-effective use of the sea as a national asset for public use under concession: on the one hand, not starting farming operations for 12 months after receiving the concession and, on the other hand, not resuming activities for more than two years after the last salmon harvest has been completed.

Upon reviewing data from the National Fisheries and Aquaculture Service (Sernapesca) regarding the operation of salmon farming centers installed inside protected areas, obtained via the Transparency Act, Terram Foundation identified that **activities were stopped at 210 concessions for at least two years. Therefore, they would be incur grounds for termination, even though they have not been terminated by the Undersecretary of the Armed Forces (SSFFAA).** The same occurred with respect to the grounds for termination of not starting activities within 12 months of the concession's delivery, addressed in the [first part of this investigation](#).

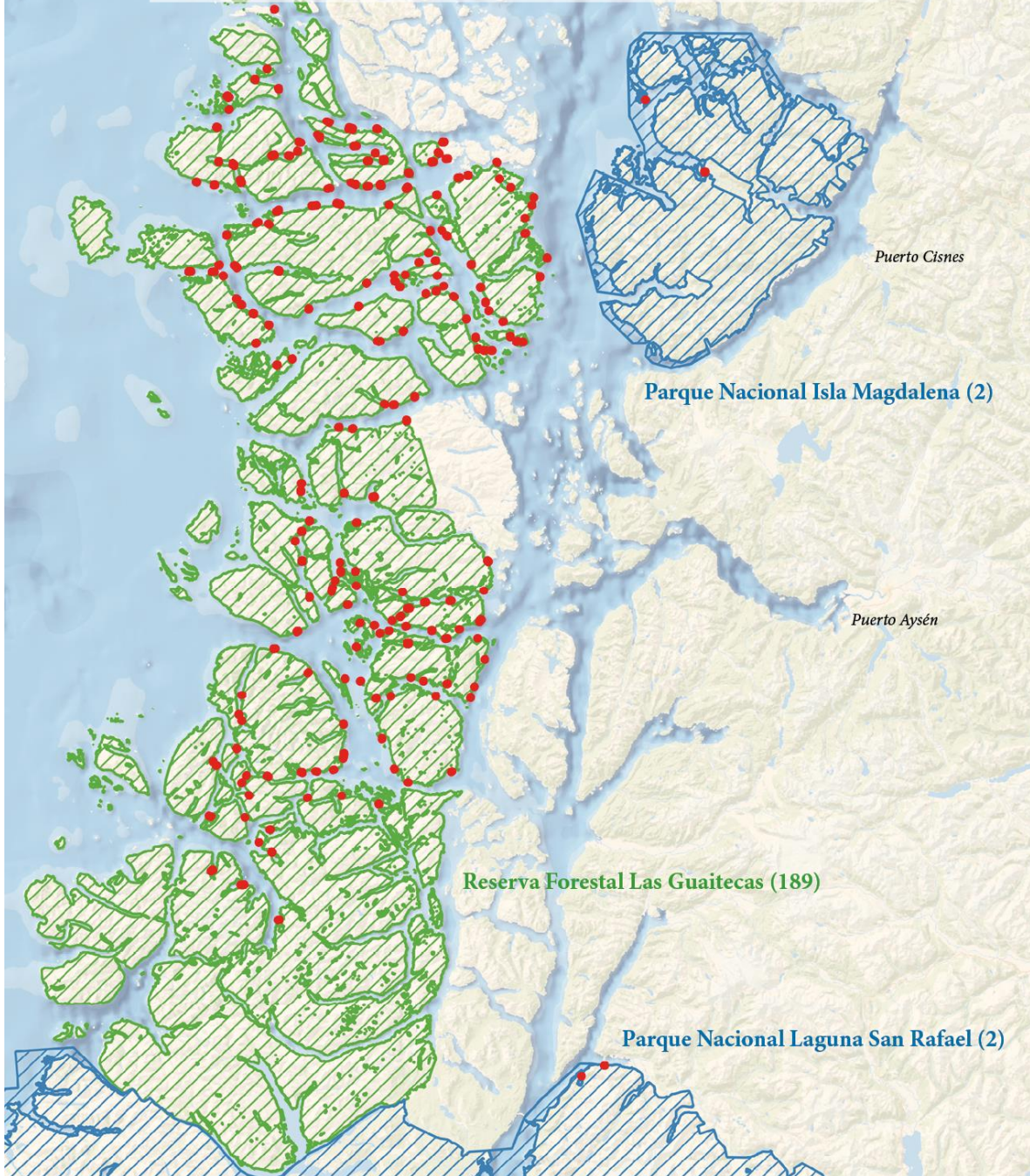
**NUMBER OF CONCESSIONS THAT WOULD HAVE INCURRED GROUNDS FOR TERMINATION FOR NOT RESUMING OPERATIONS WITHIN 2 YEARS, BY PROTECTED AREA**



Source: Created by the authors based on information from Sernapesca obtained through the Transparency Act (Code No. AH010T0001526).



**CONCESIONES SALMONERAS EN CAUSAL DE CADUCIDAD POR  
SUSPENDER OPERACIONES DURANTE MÁS DE DOS AÑOS**



Source: Created by the authors based on information from Sernapesca obtained through the Transparency Act (Code No. AH010T0001526) and data from the Austral Patagonia Program at the Universidad Austral de Chile.



**CONCESIONES SALMONERAS EN CAUSAL DE CADUCIDAD POR  
SUSPENDER OPERACIONES DURANTE MÁS DE DOS AÑOS**



Source: Created by the authors based on information from Sernapesca obtained through the Transparency Act (Code No. AH010T0001526) and data from the Austral Patagonia Program at the Universidad Austral de Chile.

**COMPANIES BENEFITED BY SSFFAA OVERSIGHT, WHICH FAILED TO DECREE THE TERMINATION OF SALMON FARMING CONCESSIONS THAT WOULD HAVE INCURRED GROUNDS FOR TERMINATION.**

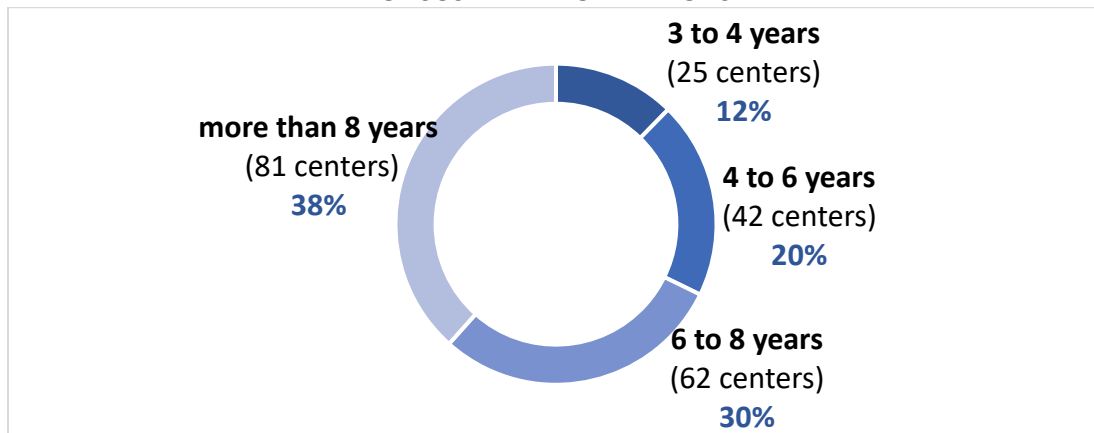
COMPANY	NUMBER OF CONCESSIONS
AQUACHILE*	65
MULTIEXPORT*	38
MOWI CHILE	30
AUSTRALIS SEAFOOD	20
CULTIVOS YADRÁN	14
SALMONES BLUMAR	11
SALMONES CAMANCHACA	10
CERMAQ CHILE	9
NOVA AUSTRAL	6
COOKE AQUACULTURE	2
PACIFIC SEAFOOD	2
INVERMAR	1
TRUSAL	1
PRIMAR	1
<b>TOTAL</b>	<b>210</b>

*\*Includes subsidiaries or companies controlled by the same group.*

Source: Created by the authors based on information from Sernapesca obtained through the Transparency Act (Code No. AH010T0001526).

Many of these concessions have not been in operation for eight, ten, or even thirteen years. Likewise, it should be noted that this list only includes those centers that suspended operations for more than three years, which would still incur grounds for termination even deducting the months in which they could not operate due to mandatory following decreed by the Undersecretary of Fisheries and Aquaculture (Subpesca), and therefore are not counted for such purposes in accordance with Article 69 bis of the LGPA, as well as the period from March to November 2020, period in which the authority suspended the deadlines for establishing the termination of concessions due to the COVID-19 pandemic.

**SALMON FARMING CENTERS ACCORDING TO THE NUMBER OF YEARS OF SUSPENDED OPERATIONS**



Source: Created by the authors based on information from Sernapesca obtained through the Transparency Act (Code No. AH010T0001526).

**This apparent oversight on behalf of the authorities with respect to decreeing the terminations established by law would have allowed 76 of the 210 centers to resume operations by December 2021 after having incurred grounds for termination**, registering a total of 121 productive cycles inside these five areas that are part of the National System of State Protected Areas (SNASPE).

After reviewing the Environmental Qualification Resolutions (RCA) of each farming center, where the maximum amount of salmon to be harvested is established, **it was possible to estimate, as a reference, that these 121 production cycles allowed these 14 companies to obtain harvests of up to 533,000 tons, equivalent to US \$4.264 billion in sales, according to the average price at which salmon was traded during the first quarter of 2022 (US \$8 per kg.)**, according to the National Customs Service.

It should be noted that it was not possible to access the RCAs of three cultivation centers, which together carried out 5 production cycles, because they were not entered in the Auditable Units platform of the Superintendency of the Environment: two centers in Laguna San Rafael National Park, belonging to Cooke Aquaculture, and one in Isla Magdalena National Park, belonging to AquaChile.

**COMPANIES THAT RESUMED SALMON FARMING ACTIVITIES AFTER THEIR CONCESSIONS WERE NOT TERMINATED DESPITE HAVING INCURRED GROUNDS FOR TERMINATION**

COMPANY	PRODUCTION CYCLES	TOTAL ESTIMATED PRODUCTION (TONS)
EMPRESAS AQUACHILE S.A.*	36	147,907**
SALMONES MULTIEXPORT S.A.	15	94,048
CULTIVOS YADRAN S.A.	16	75,500
MOWI CHILE S.A.	12	59,192
SALMONES CAMANCHACA S.A.	9	43,416
AUSTRALIS MAR S.A.	12	40,332
SALMONES BLUMAR S.A.	6	30,600
PACIFIC SEAFOOD S.A.	3	17,006
NOVA AUSTRAL S.A.	4	11,498
INVERMAR S.A.	2	7,000
TRUSAL S.A.	1	3,788
CERMAQ CHILE S.A.	1	3,000
COOKE AQUACULTURE	4	No data***
<b>TOTAL</b>	<b>121</b>	<b>533,287</b>

*\*Includes all subsidiaries of the Empresas AquaChile S.A. group.*

*\*\*Does not include a farming center in Isla Magdalena National Park that does not have an RCA.*

*\*\*\*Two cultivation centers in Laguna San Rafael National Park that do not have RCAs.*

Source: Created by the authors based on information from Sernapesca obtained through the Transparency Act (SIAC No. AH010T0001526) and information from SEA and SMA.

## **FARMING CENTERS AUTHORIZED BY THE GOVERNMENT TO RELOCATE**

Only weeks after taking office as president, Gabriel Boric spoke about the compatibility between salmon farming and nature conservation, affirming that their "coexistence has to be in terms of respect for the community and respect for the environment, and that implies, even if it's not easy to say, that industries such as salmon farming have to leave protected areas."

In this context, on June 29, 2022, Subpesca approved the merger and relocation of two salmon farming centers (CES) located inside Laguna San Rafael National Park in the Aysén Region to outside this protected area.

**These two centers authorized by the government to relocate, belonging to the Canadian group Cooke Aquaculture, are currently incurring grounds for termination after not resuming operations for at least six years, from January 2012 to December 2017.** Although both centers have authorization from the SSFFAA to extend the period to suspend operations, these authorizations were only approved in January 2022, impeding their exemption from termination in accordance with the provisions of Article 142 letter e) of the LGPA.

The centers Huillines 1 and Exploradores will be merged to move from sector 25B to 25A, a few kilometers away, where Cooke Aquaculture will be able to install 20 cage rafts, each 30 meters long by 30 meters wide and 20 meters deep, to produce up to 6,000 tons of this nonnative species in each production cycle, in an area of 3.37 hectares under concession.

There are two other salmon farms operating inside Laguna San Rafael National Park, Huillines 2 and Huillines 3, both also owned by Cooke Aquaculture, which are currently undergoing a sanctions procedure, including charges of circumventing the Environmental Impact Assessment System (SEIA), categorized as serious by the SMA.

According to information from the [sanctions procedure](#) initiated in April 2021, the Huillines 2 and 3 centers only have a technical project approved by Subpesca, which authorizes them to produce 375 and 125 tons, respectively. However, during 3 and 4 production cycles carried out between 2012 and 2020, respectively, together they produced 16,262 and 17,676 tons in excess of what is authorized.

## **DELAY BY THE SSFFAA IN AUTHORIZING EXTENDED PERIODS**

Of the 210 salmon farms that have incurred grounds for termination, 102 farms do not have an authorization from the SSFFAA to extend the period to resume operations, which would allow them to avoid incurring grounds for termination, as established in Article 69 bis of the LGPA.

The remaining 108 centers do have an authorization from the SSFFAA that extends the period to resume operations. However, all of these resolutions were approved after having incurred grounds for termination, in most cases even with several years of delay, according to information that the



SSFFAA itself presented via the Transparency Act.<sup>1</sup> As part of the response, it was stated that, "*given the date and extent of the request, the information could be incomplete.*"

In the [first part of this investigation](#), the president of the Magallanes Salmon Farmers Association, Carlos Odebret, pointed out that a 2013 Subpesca resolution would allow farming centers to circumvent the grounds for termination established in the law, under the interpretation that the voluntary fallowing to which the centers are subject under a management plan could be considered mandatory breaks, and therefore, according to the provisions of Article 69 bis of the LGPA, these periods should not be counted towards the grounds for termination.

Management plans consist of a series of sanitary measures, in addition to those required by current regulations, voluntarily agreed upon by the owners and aimed at improving the environmental or sanitary performance of the concessionary group (ACS) or sector where the farming centers are located. Among the possible measures to be adopted by the centers is the suspension of farming activities.

To further clarify, Terram Foundation consulted Carlos Odebret about these 210 salmon farming centers that would be subject to termination, who stated that "we do not have the details of every aquaculture concession in the industry that participated in voluntary fallowing as part of a management plan."

After asking Sernapesca for a list of all the centers that had voluntarily suspended operations via the Transparency Act, the agency responded by referring to its website. After reviewing each available resolution regarding management plans, it was identified that none of the 210 centers that suspended operations for more than two years inside protected areas did so before incurring grounds for termination.

On the other hand, Terram Foundation reviewed Sernapesca's Active Transparency platform for acts on third parties, identifying management plans that were not available at the link provided by the agency in its response to the Transparency Act. Using this platform, it was possible to identify that 70 of the 210 centers on the list were part of management plans that could eventually allow them to circumvent the grounds for termination, however, it was not possible to corroborate that they had actually carried out voluntary fallowing as part of these management plans, because Sernapesca's links have not been updated, despite this being a legal obligation of the agency, who also failed to correct the error even when it was requested<sup>2</sup> as part of this report.

Despite the above, **the possibility that salmon farms can avoid incurring grounds for termination by means of voluntary fallowing in as part of management plans was questioned by the Comptroller's Office in [opinion No. 25,006](#) of October 5, 2018.** Thus, the only valid exceptions for these periods not being counted towards grounds for termination as established in Article 142, letter e) of the LGPA, are 1) the period of mandatory fallowing for sanitary reasons established by Subpesca; 2) the extension of the period to suspend operations approved by the SSFFAA; 3) and the suspension of the periods to decree termination due to force majeure resulting from the COVID-19 pandemic from the months of March to November 2020, decreed by Subpesca itself through Resolutions No. 886 and No. 2305 of 2020.

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<sup>1</sup> Request Code No. AD022T0004440.

<sup>2</sup> Request Code No. AH010T0002007.



It should be noted that the suspension of the period to decree the termination of concessions during the pandemic was made despite the fact that the government at that time, presided by Sebastián Piñera, included salmon farming as an essential activity, which allowed it to operate with total normality, to the point that the Chilean salmon farming industry harvested more than one million tons for the first in its history.

## **SILENCE ON BEHALF OF THE AUTHORITIES**

As stipulated in the LGPA, Sernapesca, in its regulatory role, is responsible for notifying the SSFFAA when a salmon farming concession incurs any grounds for termination, so that the agency can then initiate the procedure to terminate the concession.

According to information obtained via the Transparency Act, and only after the Transparency Council ordered Sernapesca to provide the information after refusing to do so, it was possible to identify that **of the 210 concessions listed in this report that would have incurred grounds for termination, only 55 were reported by Sernapesca to the SSFFAA between 2016 and 2022. Despite this, all of these concessions remain valid according to Subpesca's National Aquaculture Registry, updated as of July of this year.**

In some cases, the grounds for termination were even notified on more than one occasion by Sernapesca, without the SSFFAA initiating the procedure to terminate the concessions, as happened with the Rowlett center (code 110920) belonging to Salmones Multiexport, located in Las Guaitecas Forest Reserve, which has not resumed activities since February 2015, and which to this day remains valid even though it was reported by Sernapesca to the SSFFAA in 2018 and 2020.

**In addition to these 55 cases, and the 3 exposed in the first part of this report for not starting operations within a year of the concession handover, the list of farming centers denounced by Sernapesca includes another 2 that are also located inside protected areas—which were not included in this report because they suspended operations for less than three years—and another 239 facilities that are located outside protected areas. Of these, 215 remain valid today and can be operated by their owners, while only 26 have been terminated, according to the registry published by Subpesca.**

To find out why the SSFFAA did not initiate the procedure to terminate these farming centers, both those identified in this report and those denounced by Sernapesca, which together total 495 salmon farming concessions, Terram Foundation asked the Undersecretary again, but as in the first part of this report, there were no answers.