

**SCHEDULE****CRITERIA FOR ALLOCATING RIGHTS FOR ABALONE RANCHING OR STOCK ENHANCEMENT PILOT PROJECTS.****EXCLUSIONARY CRITERIA (to be applied in Phase 1 of the application process)**

<b>CRITERIA</b>	<b>RATIONALE</b>
(a) Application form	All applicants must complete an application form. Applications will not be considered if the application forms are incorrectly completed or incomplete. All applicants are required to pay the application fee as required by the Department and the proof of payment must be attached to the application form. Applications that do not have the proof of payment attached to their application will not be considered. All applications must be accompanied by a valid tax clearance certificate from SARS.
(b) Compliance	<p>A right to engage in a Pilot Project for abalone Ranching or Stock Enhancement will not be allocated to an applicant if the applicant, or its members, directors or controlling shareholders, had any fishing and/ or aquaculture right cancelled, suspended or revoked in terms of the MLRA, or if their assets were seized under the MLRA or the Prevention of Organised Crime Act, 1998 (Act No. 121 of 1998).</p> <p>If an applicant, or its members, directors or controlling shareholders have been convicted of any offence in terms of the MLRA or any other fishery-related and/ or aquaculture legislation the applicant will not be allocated a Marine Ranching or Stock Enhancement Pilot Project right.</p> <p>Applicants that have been convicted of one of the offences as listed above, and that have paid an admission of guilt fine will not be disqualified in their application for a Marine Ranching or Stock Enhancement Pilot Project right.</p>
(c) Access to finance	The applicant(s) must demonstrate that they will have access to finance in order to implement the project.

- (d) Access to seed/ spat      The applicant(s) must demonstrate that they have access to spat/ seed from a reputable hatchery that is authorized by the Department. A hatchery seed supply agreement must be signed and submitted to the Department.
- (e) Transformation              The participation of historically disadvantaged individuals ("HDI") in the marine aquaculture industry, i.e. BEE, BBEE and including BBEE SMME, is a national priority and therefore applicants who accommodate this priority will be preferred. Compliance with the Employment Equity Act, 1998 (Act No. 55 of 1998) and the representativity of HDI's at the various levels of employment will be a requirement.

**BALANCING CRITERIA (to be applied in Phase 2 of the application process)****CRITERIA****RATIONALE**

## (a) Equity and job creation

Inequalities of the past and the decline in fish stocks have compromised the viability of coastal livelihoods resulting in hardships for coastal communities. These communities should thus be the primary beneficiaries and partners of opportunities for the marine-based component of Ranching and Stock Enhancement of abalone Pilot Projects. Although the nature of the Pilot Projects for Marine Ranching and Stock Enhancement of abalone activities are recognised, provision for permanent jobs or greater levels of job security for lower level skilled and unskilled staff is promoted. Applicants who are able to create or indicate how they will create significant amounts of jobs per tonnage harvested will score higher.

## (b) Capacity (Technical)

Pilot Projects for Marine Ranching and Stock Enhancement of abalone require a widespread, level of technical ability (involvement in related fishing sector, fish farming, diving e.t.c.) and an understanding of the marine aquaculture sector. A successful Marine Ranching or Stock Enhancement Pilot Project enterprise will need to display a well-rounded technical capability and capacity.

## (c) Future Investment in the sector

Applicants must be able to demonstrate plans to invest in fixed assets and research done in the development of marine ranching products. Applicants will have to show how they intend to process and market marine ranching

products and whether they have invested in any research into the harvesting and marketing of these products.

(d) Environment considerations

The applicant should be able to identify key environmental risks and demonstrate how the risks will be managed by a specialist. A copy of an agreement for the appointment of a specialist to monitor environmental impacts should be attached to the application.