

Nova Austral gets green light for hatchery in Chile's far south

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Chilean salmon farming company Nova Austral will start construction of a new hatchery in the Magallanes region, in southern Chile, having received a green light from the environmental assessment last week.

"The fish farm will start construction immediately," Nicos Nicolaidis, Nova Austral's CEO, told *Undercurrent News*. "With that, the construction company begins to settle and work on breaking ground. We expect, according to the plan, that the first smolts be delivered Q1 2019."

Nicolaidis said the hatchery's capacity is 12 million smolts at 120 grams each, although during the winter months that may lower to 10 million at 150 grams each. He stressed that the project has an economic benefit because it will supply smolts at lower cost, but it also offers a strategic value.

"With this we will no longer have to transfer smolts from the north (Puerto Montt) which helps us to reduce the sanitary risk," Nicolaidis said, adding that Nova Austral was the only company that farms "without using antibiotics or pesticides, which is based on our prevention plan, but also on being well isolated from other areas of salmon farming".

The project has received approval from the Environmental Assessment Service of the Magallanes region, which reviewed the project's potential environmental impacts.

This green lights a key component to Nova Austral's operations. The hatchery's location will enable the firm to avoid the long journey smolts make now, from a hatchery owned by a third party company near Puerto Montt.

This journey came into play when [Nova Austral resumed smolt shipments in April](#), after halting them following a [mortality event on Feb. 3](#). It transported these smolts from its third party-owned hatchery near Puerto Montt to its farm site south of Punta Arena, in the Magallanes region.

At that time, Nicolaidis said the company planned to invest over \$30 million in the construction of a hatchery close to its farm site south of Punta Arena, in the Magallanes region.

Nova Austral sells its premium salmon mainly in Europe and the US, where it is recognized at the level of European salmon, Nicolaidis said.

"We are the first company in Chile to farm 100% without antibiotics. Our fish is special in the market. The main reason is that our farm in the Magallanes region is isolated, in the clearest water. It takes six days for a boat to sail from Puerto Montt to our farm," Nicolaidis had said.

Contact the author matilde.mereghetti@undercurrentnews.com