

**Shrimp Aquaculture Dialogue Meeting Summary**  
**Jakarta, Indonesia**  
**March 9-10, 2010**

**Overview**

The Shrimp Aquaculture Dialogue (ShAD) met in Jakarta, Indonesia March 9-10, 2010 to review the first draft of its social and environmental standards -- which was posted for the first of two 60-day public comment periods on March 1, 2010.

The standards are available at [www.worldwildlife.org/shrimpdialogue](http://www.worldwildlife.org/shrimpdialogue)

The ShAD meeting was attended by 96 people; among them large- and small-scale shrimp producers, academics, and representatives from feed companies and social and environmental interest groups. Ten countries were represented, mainly from Southeast Asia.<sup>1</sup>

The ShAD Global Steering Committee (GSC)<sup>2</sup> hosted the meeting, with convening support from the Indonesian Ministry of Marine Affairs. The Consensus Building Institute provided independent, facilitation support.<sup>3</sup>

The meeting sought to constructively review the draft standards and capture stakeholder feedback. This summary captures key points from the meeting, by topic area. The input will be used by the ShAD GSC to further review and revise the draft standards before they are posted for the second public comment period later this year.

**Pre-meeting outreach**

WWF, as convener of the Aquaculture Dialogues, disseminated a press release about the meeting to the seafood trade publications and promoted the Dialogue in its Aquaculture Dialogues e-newsletter and website.

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<sup>1</sup> See appendix for full list of meeting participants and GSC members.

<sup>2</sup> The GSC is a diverse, volunteer, self-selected representative decision making body responsible for drafting the ShAD's social and environmental standards.

<sup>3</sup> The Consensus Building Institute facilitated the meeting. More information about CBI and its involvement the ShAD can be found at [www.cbbuilding.org](http://www.cbbuilding.org).

Prior to the meeting, Global Steering Committee reached out to a variety of small-scale producers and other stakeholders to encourage them to attend the meeting.

### **The ShAD Process and Standards Development**

The meeting began with an overview of the ShAD process, structure and timeline. The ShAD is a multi-stakeholder standard setting process aimed at establishing standards (not specific to production systems) that will help minimize the key negative impacts shrimp farming can have on society and the environment.

The Dialogue's GSC seeks to promote an "accountability value chain" that positively influences market demand and is recognized by stakeholders as a substantial improvement beyond the status quo. Standard setting is focused at the farm level in order to drive immediate change while supporting capacity building, via the Aquaculture Stewardship Council (ASC), to address upstream and downstream impacts beyond the farm boundary through continuous improvement over time.

The ShAD is now in its first two-month public comment period. The second public comment period will follow shortly after (likely August-September). The standards will be finalized in December 2010. All comments will be received and individually responded to. For more information about the ShAD process, presentations made at ShAD meetings and prior GSC and full Dialogue meeting summaries, go to [www.worldwildlife.org/shrimpdialogue](http://www.worldwildlife.org/shrimpdialogue).

### **Outstanding Stakeholder Concerns**

Prior to reviewing the draft standards, the KIARA and WALHI delegations read a prepared statement of concerns regarding global shrimp industry expansion and the role and influence of certification processes. A summary of their points made is in appendix 3.

### **Draft ShAD Standards Review and Feedback by Principle Area**

The GSC overviewed the content of each principle area according to criteria, indicators, and proposed standards. Several principle areas contain outstanding questions that the GSC has not resolved and seeks further input on from the public. These are indicated in the draft document with red flag icons.

Seven draft principle areas and their corollary draft standards were reviewed and discussed:

- P1 – Comply with all applicable national laws and local regulations*
- P2 – Site farms in environmentally suitable locations while conserving biodiversity*
- P3 -- Develop and operate farms with consideration for surrounding communities*
- P4 -- Operate farms with responsible labor practices*
- P5 – Manage shrimp health in a responsible manner*
- P6 – Manage broodstock origin, stock selection and effects of stock management*
- P7 – Use resources in an environmentally efficient and responsible manner*

Following small group discussion, each table of participants reported out on their core views, concerns and questions. Bullet summaries of those report outs follow below. Please note, the bullets are not intended to be a comprehensive summary, but rather aim to capture key ideas shared.

### ***P1 – Comply with all applicable national laws and local regulations***

Principle 1 reinforces the need for the shrimp aquaculture industry to follow the national and local laws of the region where shrimp aquaculture is taking place. A goal of the ShAD is to go beyond the law and produce more rigorous standards than that which the law requires, as long as the legal structure of the producing country is respected. Conversely, the ShAD standards do not contradict the laws where shrimp aquaculture is practiced. Thus, this principle is a means to reinforce and complement the legal framework in shrimp producing countries in order to ensure a baseline of legagility as the entry point for certification

Several meeting participants noted the need for more clarity regarding how this principle serves as a baseline standard of compliance. They asked for more guidance on how it would be implemented, especially for small-scale producers who may be challenged to prove compliance. Others saw potential confusion rising form the breadth and quality of legal frameworks across countries.

#### **Several other recommendations were:**

- Include basic guidance in the draft standards to help with managing the complexity of auditing legal issues
- Encourage small-scale producers to form clusters or groups with greater capacity for certification and develop mechanisms to improve their auditability

### ***P2 – Site farms in environmentally suitable locations while conserving biodiversity***

Inappropriate and unplanned siting of shrimp farms often results in production failures, environmental degradation, land use conflicts and social injustice. Thus, it is imperative that, when shrimp farms are created, due consideration is given to the environment, ecologically sensitive habitats, other land uses in the vicinity, and the sustainability of the shrimp farming operations.<sup>4</sup> Principle 2 covers the impacts associated with the initial siting as well as the construction and expansion of shrimp farms.

In light of the perceived complexity of the standards related to this principle, many meeting participants raised concerns about whether small-scale producers have the capacity or resources to implement the standards. Some also wondered whether farms of all sizes should be obligated to undertake the same assessment work. Cost considerations and auditability were also raised.

Additional thematic points included:

- Small-scale producers will not be able to comply with most of these standards. Consider exceptions (i.e. considering difference between farm below 5 ha and farm above 5 ha).
- Resources to undertake studies related to compliance will be an issue for some countries.
- Concern about capability of farmers to understand and comply with the standards.
- Consider setting up a restoration fund similar to the fund being discussed by the Pangasius Aquaculture Dialogue.
- Need to consider floodwater control.
- Standards should lead to improvements rather than dealing with past issues. Recognize that there will always be an environmental impact.
- How do we ensure that those farms that have been associated with very bad practices in the past are not rewarded by these standards? How to deal with changes of ownership?
- This standard reflects the concerns of the NGOs and not the concerns of producers.

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<sup>4</sup> As noted in the International Principles for Shrimp Farming (FAO 2006), preference should be given to improved techniques that take into account the requirements of the cultured shrimp and the management of the farm, and also integrate the farm into the local environment while causing the minimum possible disturbance of other surrounding ecosystems.

*P3 -- Develop and operate farms with consideration for surrounding communities*

Principle 3 addresses the need to be able to respond to human concerns that arise in communities located near farms, as well as the farms' overall operations. In particular, appropriate consultation must be undertaken within local communities so that potential conflicts are properly identified, avoided, minimized, and/or mitigated through open and transparent negotiations on the basis of an assessment toward risks and current impacts on the surrounding communities. Standards within Principle 3 would provide communities with the opportunity to be part of the assessment process. The impacts of aquaculture operations on minorities and those prone to discrimination would be accounted for, and opportunities for these groups of people would be identified, evaluated and addressed.

Negative impacts may not always be avoidable. However, the process for addressing them must be open, fair, and transparent. Therefore, the community standards focus on due diligence through dialogue and negotiation with surrounding communities.

With respect to the draft standards for Principle 3, some meeting participants noted concerns about the capacity to conduct assessments. They also questioned how a Participatory Social Impact Assessment relates to an Environmental Impact Assessment (EIA). Some requested that scale needs to be determined for the assessments and asked for clarity on who is doing the assessments. Others noted that it will probably be easier for small-scale producers than large-scale producers to comply with the social assessments because small-scale producers are usually more integrated with their communities.

Overall, most of the draft criteria and indicators for this principle were viewed as relevant.

Additional points were:

- The process for implementation needs simplification
- Consider thresholds about when and where assessments apply, according to farm size
- The costs of auditing will vary according to the intensity of the farms
- Clarify how often assessments will be required

- Clarify how a fund for farm closure and reclamation would be managed
- Regular meetings with farmers would be very helpful and help mitigate the conflicts
- Consider the potential for group assessment among several farms
- Records of how conflicts are resolved should be kept and made available to relevant authorities

#### *P4 -- Operate farms with responsible labor practices*

Principle 4 addresses the fact that aquaculture, as any agricultural production system, often requires intensive labor. This is particularly true in developing countries, where workers often live on or near the farms in rural environments that lack good infrastructure and living conditions.

Meeting participants generally agreed with the set of standards for this principle. However, some noted that concerns related to the concepts of child labor could be biased from a western NGO perspective, and not in alignment with culture norms of other countries. This could make it difficult to implement the standards in certain regions of Asia.

Perspectives shared include:

- Where to draw the line for culture harvests and family workers? Within a nuclear family work is shared collectively.
- Need to more clearly define hard labor in terms of risk
- There is a self-regulating element to this issue because families generally care and want the best for their kids
- Biggest concern is implementation and compliance for small farms
- Use local minimum wages. Do not include arbitrary terms related to wages that could be hard for auditors to interpret. What about countries with no minimum wage policies?
- Stick with the major conventions as benchmarks
- Proper training will be important and perhaps auditing can focus on worker understanding of the important issues
- Insurance is too formal for shrimp farming. Reasonable compensation would be a better requirement.

#### *P5 - Manage shrimp health in a responsible manner*

The culture of shrimp under stressful conditions can lead to the transfer of diseases or the amplification of diseases in the receiving waters. Additionally, heavy reliance on the use of therapeutic chemicals at shrimp aquaculture facilities not only can cause pollution but also can stimulate and/or introduce antibiotic resistant bacteria in the receiving waters, which can potentially have a negative effect on the local ecosystem. Principle 5 addresses these issues.

Meeting participants found the significance of the P5 standards to rest with whether and how correlate with the size and intensity of each farm operation.

Specific stakeholder viewpoints include:

- How do you control the potential disease vectors coming in?
- Need reference to stocking density
- Disagreement as to whether salinity should be included and how to address.
- Disagreement about the survival targets specified by the standards. S suggestion that they need to be reconsidered in order to be more realistic
- Support for having no chemical inputs
- Some concern about whether the standards are workable at the farm level
- 5.3.5: needs to be more detailed as the practicality may be challenging
- 5.1.5: not applicable: should consider water quality, etc.
- 5.2.3: will be very tricky, need to explain more for this option
- 5.3.4: second option preferable, list should be provided in the document
- Make sure the language is explicit
- Concerns about cost of testing for extensive and artisanal culture
- Farmers don't always drain ponds, so survival could be a challenge
- Availability of Specific Pathogen Free is a concern

#### **P6 – Manage broodstock origin, stock selection and effects of stock management**

Shrimp farming has been shown to have negative impacts on wild shrimp populations and on the environment, due to the collection of wild post-larvae and broodstock, introduction of non-native species, and/or the escape of genetically-distinct native shrimp. This is addressed in Principle 6.

The draft standards for this principle are geared toward the production of *Litopenaeus vannamei* and *Penaeus monodon*. Risk assessment is a key approach to determining whether these types of shrimp, in existing or proposed facilities, are likely to escape and become established. However, risk assessment is controversial and some of the

assessments are based on observation rather than in situ measurements of population structures. There are also knowledge gaps on the effects of escapes, as limited research has been conducted for both of these species of shrimp.

Key feedback themes included:

- Would the standards allow for the use of wild caught females for spawning and replacement?
- Broodstock should be left to the hatcheries and not be dealt with on the farm level.
- Evidence that *L. vannamei* is found in the wild in Malaysia Multispecies farming certification
- Look at World Organization for Animal Health (OIE) list applicable to all regions. Could you provide PCR testing and have that be used in lieu?
- Practicality of escape prevention BMPs?

#### *P7 – Use resources in an environmentally efficient and responsible manner*

The culture of shrimp often requires the intensive use of resources. The use of wild-caught (e.g. pelagic fish) and terrestrial farmed ingredients (e.g. soy) in shrimp feeds has a potentially negative impact on marine and terrestrial ecosystems. Energy use also requires specific attention. This principle addresses the origin of those resources, and seeks to improve the overall efficiency of the production system, ensure that effluents have limited impact, and ensure that wastes are treated properly.

Thematic feedback points included:

- Concern about the auditability of off-farm standards and the need for creative mechanism for dealing with this
- The level of pumping for water exchange is a big issue that could have carbon impacts, which very important to seafood buyers. Some farms are pumping huge amounts of water. This should be addressed in the standards.
- Request for a longer term feed dialogue to address this key impact issue
- 7.2 issues are very important and need to be addressed realistically. Perhaps you could flag and then commit to a feed dialogue.
- Sludge disposal needs to be addressed.
- No agreement about the GMO issue but agreement for transparency to the consumer
- Ongoing concerns about disease transfer



- Concerns about cost implications for GMO exclusion
- GMO issue is not aligned, except on transparency
- Feed mill certification is necessary
- Agreement on feed conversion ratio cap of 2.5
- Methodology for effluents to be carefully considered

## Appendix 1 - Meeting Agenda

<b>9 March 2010</b>		
<b>08.30 -09.00</b>	<b>Registration</b>	<b>Secretariat</b>
<b>09.00 -10.00</b>	<b>Welcome and ShAD Process Overview</b> 1. Profile of Shrimp Aquaculture in Indonesia	<b>DGA</b>
	2. The Shrimp Aquaculture Dialogue Process and Meeting Purpose	<b>ShAD Global Steering Committee</b>
<b>10.00–10.15</b>	<b>Coffee Break</b>	
<b>10.15 – 10.45</b>	<b>How we will work together</b> ➤ Agenda review, facilitation approach & groundrules ➤ Understanding the draft standards document Participant questions & clarifications	<b>Facilitator, Consensus Building Institute</b>
<b>10.45 – 11.15</b>	<b>Presentation of P1 &amp; P2: Draft Standards and Outstanding Issues</b> ➤ <i>P1 – Comply with all applicable national laws and local regulations</i> ➤ <i>P2 – Conserve natural habitat, local biodiversity and ecosystem function</i>	
<b>11.15 – 12.30</b>	<b>P1 &amp; P2 Table Discussion</b>	
<b>12.30 – 13.30</b>	<b>Lunch</b>	
<b>01.30 - 02.00</b>	<b>P1&amp;P2 table discussion (continued)</b>	
<b>02.00 – 02.45</b>	<b>P1&amp; P2 table report outs and full</b>	<b>Facilitator</b>

	group synthesis of feedback	
<b>02.45 – 03.00</b>	<b>Coffee Break</b>	
<b>03.00 – 03.15</b>	<b>Presentation of P3 Draft Standards and Outstanding Issues:</b> <i>Develop and operate farms with consideration for surrounding communities</i>	<b>Facilitator</b>  Facilitated table discussion with facilitator and note-taker
<b>03.15 – 04.15</b>	<b>P3 Table Discussion</b>	
<b>04.15 – 05.00</b>	<b>P3 table report outs and full group synthesis of feedback</b>	
<b>05.00</b>	<b>Adjourn</b>	
<b>07.00 – 08.30</b>	<b>Welcoming Dinner</b>	
<b>10 March 2010</b>		
<b>08.30 – 10.00</b>	<b>Day 1 Recap</b>  <b>Presentation of P4 &amp; P5 Draft Standards and Outstanding Issues:</b> <ul style="list-style-type: none"> <li>➤ <i>P4 -- Develop and operate farms in a socially responsible manner</i></li> <li>➤ <i>P5 – Manage Shrimp health in a responsible manner</i></li> </ul>	<b>Facilitator</b>
<b>10.00 – 10.15</b>	<b>Coffee Break</b>	
<b>10.15 – 11.30</b>	<b>P4 &amp; P5 Table Discussion</b> Facilitated table discussion with facilitator and note-taker	
<b>11.30 – 12.30</b>	<b>P4 &amp; 5 table report outs and full group synthesis of feedback</b>	
<b>12.30 – 01.30</b>	<b>Lunch</b>	
<b>01.30 – 02.00</b>	<b>Presentation of P6 &amp; P7 Draft Standards and Outstanding Issues:</b> <ul style="list-style-type: none"> <li>➤ <i>P6 – Manage Broodstock Origin, Stock Selection, and Effects on</i></li> </ul>	

	<i>Biodiversity</i> ➤ <i>P7 – Use resources in an environmentally efficient and responsible manner</i>	
<b>02.00 – 03.15</b>	<b>P6 &amp; P7 Table Discussion</b>	Facilitated table discussion with facilitator and note-taker
<b>03.15 – 03.30</b>	<b>Break</b>	
<b>03.30 – 04.30</b>	<b>P6 &amp; 7 table report outs and full group synthesis of feedback</b>	
<b>04.30 – 05.00</b>	<ul style="list-style-type: none"> <li>• Final full group synthesis of stakeholder feedback</li> <li>• Closing comments: MMAF, WWF, GSC</li> </ul>	
<b>05.00</b>	<b>Adjourn</b>	

## Appendix 2 - List of Participants

No	Name	Employer	Stakeholder Type
1	Nur Retnowati	MMAF - INDONESIA	GOV. OFF
2	Sadarma S. Saragih	MMAF - INDONESIA	GOV. OFF
3	Deborah	MMAF - INDONESIA	GOV. OFF
4	Murdjani	MMAF - INDONESIA	GOV. OFF
5	Ketut Sugama	MMAF - INDONESIA	GOV. OFF
6	Wawan Ridwan	WWF - INDONESIA	GOV. OFF
7	Coco Cokarkin	MMAF - INDONESIA	GOV. OFF
8	Muharijadi A	MMAF - INDONESIA	GOV. OFF
9	Sudjiharno	MMAF - INDONESIA	GOV. OFF
10	Akhmad Solikhin	IPB - INDONESIA	ACADEMIA
11	M. Nurdin	MMAF - INDONESIA	GOV. OFF
12	Chaery Novari	MMAF - INDONESIA	GOV. OFF
13	Maysaroh	MMAF - INDONESIA	GOV. OFF
14	Fatimah	MMAF - INDONESIA	GOV. OFF
15	Sri Wahyuni	MMAF - INDONESIA	GOV. OFF
16	Saut P. Hutagalung	MMAF - INDONESIA	GOV. OFF
17	Syamsu D	MMAF - INDONESIA	GOV. OFF
18	Wahyu W	MMAF - INDONESIA	GOV. OFF
19	Setiawan	MMAF - INDONESIA	GOV. OFF
20	Mukti Sri Hastuti	MMAF - INDONESIA	GOV. OFF
21	Sayoko	MMAF - INDONESIA	GOV. OFF
22	Rusmiyana	MMAF - INDONESIA	GOV. OFF
23	Anthon Djari	MMAF - INDONESIA	GOV. OFF
24	Nida widadari	MMAF - INDONESIA	GOV. OFF
25	Alfida A	MMAF - INDONESIA	GOV. OFF
26	Indarto	Minapolitan	INDUSTRY
27	Maria	ASPAKINDO	ASSOCIATION
28	Dr. Sukenda	IPB - INDONESIA	ACADEMIA
29	Prof.Kamiso	UGM - INDONESIA	ACADEMIA
30	Iwan Sutanto	SCI	ASSOCIATION
31	Pitoyo	SCI	ASSOCIATION
32	Khairuddin	Small Scale Farmer	AQUACULT. FARMER
33	Nurdin Ahmad	Small Scale Farmer	AQUACULT. FARMER
34	Rubiyanto Haliman	CPP	AQUACULT. FARMER
35	U Win Latt	CPP	AQUACULT. FARMER
36	Gusran Wasirnur	SGS	CERTIFICATION BODY

No	Name	Employer	Stakeholder Type
37	Murtianik	SGS	CERTIFICATION BODY
38	Agung Sudaryono	MAI	ASSOCIATION
39	Mida Saragih	KIARA	NGO
40	Iin Rohimin	KIARA -KOMPI	NGO
41	Nafian Faiz	KIARA -P3UW	NGO
42	Harris	GPMT	ASSOCIATION
43	Yu Liang Chen	PT Mustika Minanusa Aurora	INDUSTRY
44	Peter Choo	PT Mustika Minanusa Aurora	INDUSTRY
45	Nyoman Suryadiputra	Wetlands International Indonesia	NGO
46	Muhammad Ilman	Wetlands International Indonesia	NGO
47	Anita Dohar	Oxfam Novib	NGO
48	Eric Bernard	WWF-US	NGO
49	Ernest Chiam	WWF - MALAYSIA	NGO
50	Corey Peet	Consultant	NGO
51	Dominique Gautier	Aquastar	INDUSTRY
52	Koji Yamamoto	NACA	ASSOCIATION
53	Attavipach Parate	GTZ	NGO
54	Renee Benguerel	BlueYou	INDUSTRY
55	Kennth Boyce	FLO	INDUSTRY
56	William Rash	Anchor Seafood	INDUSTRY
57	Md Saidul Islam	Technological University - MALAYSIA	ACADEMIA
58	Sian Morgan	FishWise	NGO
59	Mathias Ismail	OSO	INDUSTRY
60	Rosida Idriss	Consultant	INDUSTRY
61	Azher Idriss	Consultant	INDUSTRY
62	Rustam Kani	PT. Syam Surya Mandiri	INDUSTRY
63	Muh Teguh Andi Prasetia	PT. Syam Surya Mandiri	INDUSTRY
64	Merrick Hoben	CBI - USA	FACILITATOR
65	Ham Min (Christopher) Lim	Blue Archipelago Bhd - MALAYSIA	INDUSTRY
66	Zuridah Merican	_Aqua Research Pte Ltd	INDUSTRY
67	Maya Spaul	TransFair - USA	INDUSTRY
68	Nadhri Wan	BLUE ARCHIPELAGO BERHAD	INDUSTRY
69	S Jahangir Hasan Masum	Coastal Development Partnership	NGO

<b>No</b>	<b>Name</b>	<b>Employer</b>	<b>Stakeholder Type</b>
70	Mathew Parr	IUCN NL	NGO
71	Leo Van Molekom	OxfamNovib	NGO
72	Jack Morales	Sustainable Fisheries Partnership	NGO
73	Marc Le groumellec	Unima	INDUSTRY
74	Hem Surin	IRD	NGO
75	Jacques Slembrouk	IRD	NGO
76	Mark Seager	Seafood Company	INDUSTRY
77	Jamie Davis	American Center for International Labor Solidarity (Solidarity Center)	NGO
78	Dessy Anggraini	Sustainable Fisheries Partnership	NGO
79	M Taufic Wahab	Researcher	n.a.
80	Gayatri Lilley	Sustainable Fisheries Partnership	NGO
81	Lai Tuong Phi	WWF	NGO
82	Mit Bui Hoang	Cooperative	AQUACULT. FARMER
83	Dung Lam Thanh	Tan Long Cooperative	INDUSTRY
84	Surjadi Purbasari	Sustainable Fisheries Partnership	NGO
85	Pinyo		AQUACULT. FARMER
86	ABC Mohan	NaCSA	AQUACULT. FARMER
87	Balsubramaniam Vetkatachalam	Prawn Farmers Federation of India	AQUACULT. FARMER
88	Aris Utama	PT BMI	INDUSTRY
89	Endi Oscar Prayogo	PT BMI	INDUSTRY
90	Danny Santrio	PT BMI	INDUSTRY
91	Agusri	PT BMI	INDUSTRY
92	Dr. Wee	Gold Coin Indonesia	INDUSTRY
93	I. Emerson KaGoo	Det Norske Veritas	
94	Audrie Siahainenia	Wageningen University	ACADEMIA
95	Martijn van Schaik	Wageningen University	ACADEMIA
96	Rini Kusumawati	Wageningen University	ACADEMIA

### **Appendix 3 - Community Advocacy Group Statement**

The KIARA and WAHLI delegations offered a statement of opposition to the shrimp industry and certification efforts. For more information and/or a full copy of their points, send a message to [kiara@kiara.or.id](mailto:kiara@kiara.or.id)

In brief, the delegation:

- Seeks to stop industrial shrimp farming that threatens food sovereignty, ecosystem health, and community well-being, particularly in southern developing countries
- Does not believe that certification processes can meaningfully address negative social and environmental impacts, show pro-industry bias, and historically have not accounted for the interests of developing country populations
- Is pursuing a moratorium on shrimp farming and to stop financial input and support that encourages the expansion of the shrimp farming industry
- Is calling for the respect of the customary rights of local people to manage the coastal areas and fishery resources in/near their communities.