

**Shrimp Aquaculture Dialogue  
GSC Executive Meeting Summary  
Washington, DC – June 23-25, 2010**

**PARTICIPANTS**

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- Jose Villalon, WWF US
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- Mathew Parr – IUCN NL
- Leo Van Mulekom – Oxfam NOVIB
- Merrick Hoben – CBI facilitator
- Corey Peet - Coordinator

**Meeting Goals**

The GSC met for the 7<sup>th</sup> time to: 1) review and deliberate on public comment period feedback; 2) decide how to address core issues; 3) refine recommendations for draft standards modification; and 4) revise GSC work plan and next steps.

This summary addresses several process issues as well as substantive discussions and decisions taken by the GSC. Any errors or omissions are the sole responsibility of CBI – the meeting facilitator.

**Asian Producer Outreach / GSC additional Representatives**

Asian producer outreach continues to be a high ShAD priority. ICAFIS (Vietnamese non-profit) and a government representative expressed interest in a shared GSC seat. The GSC is open to this pending several conditions to ensure effective representation.

## **GSC Problem Solving Approach**

The GSC reviewed its problem solving approach in light of upcoming complex negotiations on final standards. Core steps agreed to are 1) explore interests; 2) clarify joint criteria [i.e. what are we using to consider the validity of a proposal]; 3) invent options; 4) deliberate and decide; 5) discuss implementation.

## **Principle Area Public Feedback and GSC Decisions**

The majority of the meeting focused on stakeholder feedback by principle area. Only priority principle areas with the most responses were addressed in the meeting. For each section the GSC summarized Leadership Group proposed options and recommendations for addressing core issues (per framing questions); and addressed specific flagged issues from draft standards text. Following are core points from each discussion.

### **P3 – Develop and operate farms with consideration for surrounding communities**

Discussion around P3 focused several issues including confidentiality and its role in the ASC certification scheme given that current certification schemes rely on it being secured. The GSC deliberated over whether some pieces of the audit need to be publicly available in order to be credible. Suggestion was to communicate to the ASC the need for a tailored confidentiality clause.

The challenge of auditing the P3 standards was also discussed. The GSC agreed that auditing protocols must have strong GSC influence and could be a triangulation approach, which means incorporating other elements other than just the farm in the audit (e.g. government, etc.). The question arose about where the mandate of the GSC stops – to be clarified with the ASC.

Migrant labor was also discussed including how the GSC can add more to it, possibly by including some of the PAD's work on this issue or by making it part of the P-SIA.

### **P4 -- Develop and operate farms in a socially responsible manner**

Discussion of P4 covered many aspects including discussing whether or not the scope should be broadened to include processors given the public comments that were received on that issue and a concern that the documented problems with processing

plants may affect the credibility of the ASC label if they remain unaddressed. The GSC will at least communicate to the ASC the importance of considering this issue in the near future. However, it was noted that this is a problem in other issues (e.g. feed and the need for feed mill standards).

The issue of unions not being allowed in some countries was also discussed. It was determined that if this is the case then there must be a credible way for them to organize and freely associated.

The challenge of auditing Living Wage was also discussed. There was a suggestion to come up with a benchmark that governments report on or think about a Plan B. Perhaps housing conditions need to be included.

Child Labor was addressed in terms of whether or not to go with 15 yrs that would be ILO compliant or 18 yrs given that no minor should be employed in a hazardous working area. Furthermore, 99% of shrimp farm employees are already 19 or over.

How to integrate family farms into the criteria was a core challenge given that an 'anything goes' approach on family farms is not ok. Perhaps a triangulation approach could be used.

Finally there was discussion about the need to better cover Women's Issues in the standards. There was a suggestion that the presence of separate sanitary facilities under worker accommodation would be a good standard. Also important to integrate criteria that women should be able to return to jobs after maternity and that there must be no discrimination in promotion, payment, or hiring for anyone. The preference was for gender neutral standards with key rationale for how these issues are addressed.

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

GSC members clarified their core concerns regarding GM issues:

- Label credibility
  - Green consumer (label integrity)
  - Mass producers
- Moral dilemma
  - Wrong to exclude / include
- Product differentiation / reward

- transparency
- Building incentives for non-GM's
  - How to build in the precautionary approach?
- Feasibility
  - Price
  - Access to consistent sources to GMO free feed
  - Verification

**The follow core elements of a future proposal were identified:**

1. **Transparency** (buyers have access, producers have market differentiation) – Assume buyers who select non-GM fed will label GM free. Applicability to (2,~3,4) core concerns.
2. **Conditional standards based on price feasibility** - Proposing 20% difference. Applicability to (3,4) core concerns.
  - a. 20% ingredient or feed costs? Ok to use GM in the interim.
3. **Continuous Improvement:** When the price of non-GM inputs approaches within X% of GM-free inputs, GM-free will become mandated.

**Proposed Goal:** eliminate GM's with negative consequences for food security and biodiversity through an inclusive and practical and approach.

**Areas of Alignment**

The discussions of the GM issues highlighted the need to explore options for transparency and labeling and to engage the ASC to sort out the possibilities around this issue. Auditing reports to the ASC and retailers and/or a consumer database are options to be considered. *Continuous improvement toward non-gmo with a few caveats is a shared goal among many GSC members but possibly not all.* There also general agreement for a standard that have meaningful and broad uptake.

**Remaining Dilemmas**

How to address the labeling issue is an important area including the content of the message on the label and whether it's mandatory or voluntary. Another concern surrounding labeling is whether it has anything to do with the ASC logo or instead is the responsibility of the retailer or the end user. Need also to consider how and who to track price and define availability. Full clarity on accountability is also an outstanding issue.

## **Effluent**

A brief discussion was had about the effluent standards in P7. The public comment on this issue was positive. There is a need to strengthen the rationale. The sludge issue needs more attention and to be linked with the salinization standards. Need to consider whether to add supporting materials to the website (i.e. Aubin paper with permission (Eric)).

## **Feed Sourcing**

### **Core Issues/ Values for feed sourcing are:**

- Sustainability
  - What will be a sustainability fishery?
  - Access for farmers to sustainable fisheries
  - Well managed stocks
- Alignment with the other dialogues
- Fairness
- Social and community issues around fisheries
- Promoting good fisheries management

There many aspects to the feed sourcing discussion including ensuring that these standards are fair to farmers. This will likely need to be dealt with by a Feed Dialogue and acknowledged as such this within the standards document.

There was also discussion that a Fishsource score of 6 represents a very low bar, but is perhaps realistic given the current status of available information on forage fisheries used in aquafeeds, particularly in SE Asia. For reference, a fishery that scores a 6 on all FishSource scores would be a fishery where:

**Score 1:** mortality is 50% higher than it should be for max sustainable yield

**Score 2:** the spawning biomass is at is at half of it's target for max sustainable yield

**Score 3:** quota is being exceeded by 25%

**Score 4:** TAC has been set 25% higher than under scientific advice

**Score 5:** the "precautionary" management approach is to hold harvest at the target reference point when biomass drops below the limit reference point.

The importance of remembering that the ShAD standards are farm level was also highlighted. The ShAD is certifying what the farmer can and should do. What does it mean to find sustainable feed, what does the farmer need to do if they cannot find sustainable feed are issues that need to be clarified. Defining actions for the farmer may

be different than the sustainability of the feed. Codification in the indicators should be the actions for the farmers. It's about putting the right sequence for responsibility, what does action taking mean with regard to availability price differentials? Responsible sourcing means that farmers must pick and choose according to those that are the best available and ensuring that their sourcing is transparent.

### **Proposals**

- Does the GSC consider having the IFFO and Fishsource interim standards of PAD, plus aggressive transparency change? Forage fisheries would need to score 8 with X or more years.
- Option for data poor fisheries: data collection is a first step, can demonstrate the absence of stock assessment information: A: at extremely low levels, articulation of plan for data collection, more .
- ShAD standard stays the same but the way the auditing and guidance is written would be different. Interest in exploring.
- FTAD:
  - Traceability: full traceability and ingredient list
  - Responsible origin of marine raw materials
    - 90%
    - IFFO AND Fishsource
    - No trimmings from endangered, etc
    - FFER meal and oil
    - Byproduct limitations
  - Responsible origin of marine raw materials
  - Efficient and optimized diet: perhaps ahead of where shrimp can go.
    - FCR, digestibility, and a retention factor
    - FM must be treated well. Don't waste your fish before it gets into the feed.

There is GSC interest in exploring some of these proposals as they have the potential to address our core concerns but could be much less technical. There is concern that there may be redundancy with the effluent standards and that we should try to be consistent with the land based dialogues. One proposal for keeping it simpler was to use Fishsource and identify 3 criteria that are crucial for values. Important to note that Fishsource scores depend on this infrastructure for their evaluations, which is a

challenge in Southeast Asia. Auditability and technicalities are a concern for small farmers and there is a need to ensure that the timelines are justifiable.

### **Tasks**

- Consider how to engage feed companies
- Communicate with other dialogues where possible
- Consider how to tailor the standards as actions that the farmer can take

## **P2 – Conserve natural habitat, local biodiversity and ecosystem function**

For P2, accountability and responsibility for the impacts that farmers have was a core concern that was clarified during the discussion. It was suggested that it's ok that some farms will be eliminated because it speaks to how much impact they have already had and that it's important for label credibility to be maintained. The ShAD needs a relevant approach to the mitigation and/or offsetting of impacts and continuous improvement is critical. The ShAD also needs a greater ability tailor the comments to the local context and that its important role of the standards to differentiate the farmers who care/act vs. those who do not.

### **Core Tasks**

1. *Matrix of farm types, development of matrix*
  - a. Reviewing requirements for existing farms
  - b. 6 way matrix: new and existing
  - c. We need to do our homework first
  - d. Leo P3 work alignment
2. *Going through the feedback, synthesize, and start providing other options based on the feedback*
  - a. TWG with some of those who offered comment
  - b. Initial guidance, id big pieces of guidance
3. *Outreach and Communication to SE Asian Stakeholders*
  - Need to recognize the rationale and do further ground-truthing and understanding of their concerns. Get constructive feedback on the content of the standards.
4. *Guidance work*

- a. Timeline and responsibility
- b. Offsetting: how does this work for these impacts?
- c. HCV: how to apply?
- d. Conservation Planning
- e. Methodology for EIA
- f. Endangered Species and critical habitat definitions
- g. A framework for all of this must be developed before the 2<sup>nd</sup> public comment period. This needs to allow engagement to happen. If we get more push back, then we haven't done our jobs.

5. *Trial Audits and Case Studies*

- a. Dominique / Koji Ramsar site, how can we use the existing data
- b. Leo and Mathew workshop in Indonesia
- c. Catalogue about where audits are happening
- d. We need to id what is a realistic way to conduct these audits
- e. This should take place during the next public comment period
- f. Identify the farms for audits
- g. A list of people who can do a list of audits in their head

## **P6 - Broodstock Origin, Stock Selection, and Effects on Biodiversity**

For the escapes and exotic species issue, it was noted that the GSC wants do what poses the least risk to address the concern about introducing exotic species and to minimize the spread of disease via escapes.

Tasks include:

- Further developing the rationale for “widely-used”
- Ensuring appropriate level of precaution against impacts of exotics
- Clarifying exceptions that could be granted in India and other places
- Revising the White Paper if necessary and sending it to public comment respondents
- Considering ‘horse out of the barn’ standards (i.e. exceptions) for monodon