



**REPORT OF THE NINTH MEETING OF ASEAN SHRIMP ALLIANCE
24 June 2019, Da Nang, Viet Nam**

I. INTRODUCTION

1. The Ninth Meeting of ASEAN Shrimp Alliance (ASA) was organized on 24 June 2019 in Da Nang, Viet Nam, and was hosted by the Ministry of Agriculture and Rural Development of Viet Nam.

2. The Meeting was attended by representatives from the ASEAN Member States (AMSs), namely, Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, the Republic of the Union of Myanmar, the Republic of the Philippines, Singapore, the Kingdom of Thailand, and the Socialist Republic of Viet Nam as well as the representatives from the Network of Aquaculture Centres in the Asia-Pacific (NACA). The List of Participants appears as **Annex 1**.

II. OPENING OF THE MEETING

3. The Chairperson, Dr. Chumnarn Pongsri, Advisor to the Department of Fisheries of Thailand delivered the opening remarks. He reiterated the principal objective of the arrangement of the ASEAN Shrimp Alliance (ASA), is to establish a mechanism among members to share and exchange information of shrimp commodities relating to shrimp export toward the same direction of shrimp products development among ASEAN Countries through the website; to encourage and improve the ASEAN Shrimp Standard via ASEAN-SEAFDEC Strategic Forum and/or Roadmap for Integration of Fisheries Sector under ASEAN Economic Integration; to create strong mechanism among ASEAN to jointly prevent non-tariff trade barrier by shrimp importing countries and all NGO; to develop proposal and recommendations for action in relation to common concern issues and collaborative actions by the members; and to jointly coordinate and provide dialogue for communication to international forum. He stated that the Meeting would provide a very good opportunity to review what activities that served the ASA objectives, what to be maintained, revised or further developed. He informed the meeting that after June 2013 in Bogor, Indonesia, the development of implementation according to the Strategic Plan on the Development and Implementation of ASEAN Shrimp GAP has not been updated yet, therefore; he encouraged the representatives from ASEAN Member States (AMSs) to share their accomplishments, difficulties, comments and suggestion to help AMSs moving forward together efficiently. He also indicated that the key factor to reach the goal setting is the strong cooperation among AMSs, therefore; he requested AMSs to inform its focal point in charge of marine shrimp to coordinate all concerned issues among the AMSs to the Department of Fisheries of Thailand by the end of July 2019. He added that with the purpose of facilitating the exchange of information on shrimp in the region, the website of ASEAN Shrimp Alliance (www.aseanshrimpalliance.net) has been developed and invited all AMSs to upload and share their updated shrimp situation regularly. Apart from representatives from AMSs, the speaker from the Network of Aquaculture Centres in Asia – Pacific, Dr. Eduardo Leñaño participated in the meeting to share the information on Shrimp production in

Southeast Asia: Status, Trends, Challenges and Outlook which will be of benefit to the improvement and development of shrimp industry in ASEAN region. He then declared the Meeting open. His Opening Remarks appear as **Annex 2**.

III. ADOPTION OF THE AGENDA

4. The Chairperson informed the Meeting that the representative of Seafood Taskforce was not able to participate in the meeting so that the agenda 6 was removed. The Meeting adopted the revised Agenda, which appears as **Annex 3**.

IV. UPDATES ON THE PROGRESS OF THE IMPLEMENTATION ON THE STRATEGIC PLAN ON THE DEVELOPMENT AND IMPLEMENTATION ON ASEAN SHRIMP GAP

5. Viet Nam informed that the Minister of MARD approved and issued the 1st version of VietGAP standard (Vietnamese good aquaculture practices) in July 5th 2011 and revised version in Sep 6th, 2014 (under the Minister Decision No 3824/QD-BNN dated Sep 6th, 2014). Besides, the guideline on application of VietGAP for brackish-water shrimp also has been approved under the Minister Decision No 4835/QD-BNN dated Nov 24th, 2015. The VietGAP was endorsed as a voluntary standard.

The VietGAP certification activities has been operating since 2012 under regulation of the Circular No 48/2012/TT-BNNPTNT dated Sep 26th, 2012 regulates on the certification scheme for aquaculture, crop, livestock products which produced in accordance with VietGAP application. In this Circular, the certification body (CB) of VietGAP is recognized as is the 3rd party agencies who meet all conditions of (1) be a legal organization; (2) has QMS and satisfy the national standard TCVN 7457:2004 or ISO 17065; and (3) present of two permanent auditors or more for each scope. The auditor must fulfil requirements as ability for GAP evaluation and undertakes the training course organized by D-fish.

In order to facilitate VietGAP application and certification, D-Fish organized many training courses for auditors/farmers. At present, D-fish certified 293 ToT; 194 auditors and accredited 10 CBs. In addition, 58 (in total of 624) Certificated of VietGAP has been granted for about 90 shrimp farms recently.

Regarding to promote application of VietGAP, Viet Nam support training courses for farmers, demonstration and awareness campaign. At least, 4 video clips on introduction of VietGAP application and several clips on demonstration of VietGAP have been produced and broadcasted on television as well as the website of D-fish (vietgap.tongcucthuysang.gov.vn)

In order to promote VietGAP to the consumers, the VietGAP certification has been coded and issued online at vietgap.tongcucthuysang.gov.vn. By this way, the VietGAP certification can be viewed by public, showing its transparency. In addition, D-fish also has been conducting the benchmarking with ASC, GlobalGAP since 2014 and join in GSSI network for the mutual recognition.

6. The representative of the Philippines, Mrs. Maria Abegail A. Albaladejo informed the Meeting that the Philippine National Standard Code of Practices (GAqP) for shrimp (PNS/BAFS 197:2017) ICS 65.150 was approved in May 2017. This contains practices adopted from ASEAN-GAP for shrimp farming and Good Aquaculture Practice Farmer Guidance Workbook of the Bureau of Fisheries and Aquatic Resources (BFAR).

7. The representative of the Myanmar, Mr. Nyunt Win concluded that Myanmar already developed the Guidelines on ASEAN Good Aquaculture Practices (ASEAN GAqP) for Food Fish and ASEAN Shrimp Good Aquaculture Practices to guide the elements of Good Aquaculture Practice (GAqP) in Myanmar. Aquaculture Division, Department of fisheries is the Competent Government agency responsible for management of the aquaculture sector of the country. To comply with common certification scheme in ASEAN, Myanmar needs to prepare its institutional structure for inspection and certification body. To build up the capacity of the farmers and technical support for implementing of National GAqP scheme, Myanmar will implement a program in this year with the support of Myanmar Sustainable Aquaculture Program (MYSAP) project that include testing facilities improvement of fish disease laboratory. Myanmar nominated Mr. Saw Lah Paw Wah, Director for Aquaculture Division, mrslbwedof@gmail.com as the focal point of Myanmar for ASA .

V. ASEAN SHRIMP GAP STATUS AND FUTURE PLAN

8. The representative from Thailand, Miss Montira Thavornnyutikarn elaborated the Strategic Plan on the Development of ASEAN Shrimp GAP and its 5 strategic approaches consisting of 1) the development of ASEAN Shrimp GAP; 2) establishment of National Shrimp GAP; 3) alignment of National Shrimp GAP; 4) strengthening national certification system; and 5) promotion and training to increase awareness and knowledge of ASEAN Shrimp GAP. She also concluded the progress implementation of ASEAN Shrimp GAP started since 2009. The ASEAN Shrimp GAP was endorsed by the ASEAN Ministerial Meeting on Agriculture and Forestry (AMAF) in 2011. At that time, some AMSs developed their national shrimp gaps. From 2012-2014, this was the period for the development of standard and establishment of the certification process. As agreed during the ASA meeting, AMSs have to align their national shrimp GAP with ASEAN Shrimp GAP. From 2015 until now, the implementation for the alignment and strengthening certification system activities has been carried out by some AMSs. The next step to be done are the promotion and training in ASEAN Shrimp GAP. She finally requested all AMSs to push up their implementation to complete the objectives of ASA. Moreover, she demonstrated the certification system recognized in many countries and explained that in the production level and farms should be certified by Certified Body (CB) with standard such as GAP, Organic, etc. The CB or Inspection body should have certified with ISO/IEC 17065, 17021, 17020 and accredited by Accreditation Body (AB). Then AB has been certified with ISO/IEC 17011. AB has equivalence in product certification and should be a member of Pacific Accreditation Cooperation (PAC). This whole system demonstrates the competency, transparency, and impartiality of the certification system. Her presentation appear as **Annex 4**.

VI. SHRIMP PRODUCTION AND MARKET TRENDS IN INDIA

9. The Chairperson, Dr. Chumnarn Pongsri, Advisor to the Department of Fisheries (DoF) of Thailand shared information received during his participation in the 11th China International Shrimp Industry Development Forum by CAPPMA held during 18 – 19 May 2019 in Zhuhai City, China, on Shrimp Production and Market Trends in India that in 2018, India produced nearly 750,000 tons of *Vannamei*, with this figures, India becomes

the top *Vannamei* exporter of the world, 2 years in a row. In the USA, 36% of shrimp imports come from India. Upon its 600 hatcheries, India has installed capacity of shrimp seed production at 120 billion. SPF broodstock has been imported and all imports will go through the Aquatic Quarantine Facility operated by the Government of India. However, at present, India is facing challenges, from the rising cost of production due to low productivity. Regarding shrimp production, India has 176,000 HA under scientific shrimp farming and 40 – 50,000 HA under traditional shrimp farming while there are a potential area 1,190,000 HA and 95% of shrimp produced is *Vannamei*. Shrimp production of India in 2018 hit the record because of expanding farming areas, conversely, productivity is decreasing. It turned out that the success rate is less than 50%, the production cost is rising caused by diseases and poor growth. Moreover, there was a huge loss in farms, with stocking dropping more than 30% compared to 2018. With regards to disease status, white faces syndrome is quite widespread resulting in poor growth and loose shell. WSSV and EHP is also rampant with no other serious pathogens reported.

For 2019 trends in farming, it will be very slow and low stocking with more than 30% less stocking in 2019 compared to 2018. Shrimp farming density will be lower, while interest in nursery-reared seeds will increase. EHP and white faces problem could not be addressed and the price of the small sizes shrimp will be below than the production cost. Concerning status and challenges on feed production, India has installed capacity of production of feed for over 2.5 million tons, while in 2018, the production volume is about 1.4 million tons. However, there is still poor Food Conversion Ratio (FCR) in farms. Feed manufacturers are facing the increased competition and cost of production. At present, India has 570 processing factories, seafood processing units in India are approved by the Export Inspection Council of India. Approval types comprises Unit eligible to export to European Union and Unit eligible to export to countries other than European Union. The main market India exporting its shrimp to in 2018 is USA, South East Asia, China, Europe, Japan, Middle East respectively. Even India has ranked the top shrimp supplier, she has faced challenges in export; anti-dumping duty, import duty, food safety issues, cost increasing, etc. In 2019, India expects the improvement of overall productivity and efficiency, investment to improve farm infrastructure, management of issue in seed and shrimp production, better shrimp prices and regain EU market.

VII. SHRIMP DISEASE, STATUS, CHALLENGE, AND WAY FORWARD TO REGIONAL MECHANISM FOR WARNING SYSTEM FOR SHRIMP DISEASE

10. The representative from Thailand, Dr. Puttharat Baoprasertkul concluded the status and challenge of shrimp diseases and way forward to regional mechanism for warning system for shrimp diseases. She started with the presentation on Aquatic Animal Health Code (Aquatic Code) that OIE members, through the surveillance program, need to self – declare the freedom of their country, zone and compartment from diseases. She added that to minimize the risk and maximize the efficiency of response to the outbreak, the Emergency Preparedness and Response System (EPRS) action namely: legislation; communication; disease diagnosis; containment and eradication is needed. Cooperation among Competent Authorities (CA) and stakeholders of AMSs through the good communication and early warning system are also the main factor to help prevent disease outbreak. The Department of Fisheries of Thailand through the ASEAN Network on Aquatic Animal Health Centres (ANAAHC) organized

ASEAN Regional Technical Consultation (RTC) on Aquatic Emergency Preparedness and Response Systems (AEPRS) in August 2018 in Bangkok for the Effective Management of Transboundary Disease Outbreaks in the Southeast Asia. The output of the Meeting which is the Regional Technical Guidelines on Early Warning System for Aquatic Animal Health Emergencies will be submitted to the 27th ASWGF_i for endorsement.

VIII. SHRIMP PRODUCTION IN SOUTHEAST ASIA: STATUS, TRENDS, CHALLENGES AND OUTLOOK

11. The Representative from the Network of Aquaculture Centres in Asia – Pacific, Dr. Eduardo Leaña, presented the Shrimp Production in Southeast Asia: Status, Trends, Challenges and Outlook. He explained that shrimp culture plays important roles in poverty alleviation, food security, human nutrition, income generation, rural employment, and foreign income generation. He demonstrated that shrimp production in Southeast Asia (SEA) in 2017 reached 2 million tons and valued over USD 10 billion, major shrimp producer of the region in 2017 is Indonesia and Viet Nam with production volume at almost 800,000 tons. SEA will show the progress in seed genetic improvement both in SPF and growth performance. SPF is becoming a prerequisite and learning to live with disease will be a new normal in the region. Moreover, there is a general tendency of system intensification to increase productivity. The operation is scale up to explore advantages of scale effect through cluster formation and small farms will be merged into large ones. There will be more focusing on ecological approach to produce premium products for niche markets.

Market trends in SEA; nearly 50% of farmed shrimp from major shrimp producing countries in SEA, such as Viet Nam, Indonesia, Thailand was exported (SPF, 2015). Viet Nam remained the top exporter in SEA with an export volume about 360 thousand tons in 2015, more than almost 20% down from previous year. Export from Thailand experienced down turn since 2010 and a sharp fall in 2013. Viet Nam continues to increase its import of shrimp for processing and re-export. By volume, Vietnam is at the top among all shrimp importing countries in SEA. The USA remained the number one destination for the major shrimp exporters. In 2016 showed a record amount of shrimp imports to the USA while domestic landings declines; combined: US total shrimp supply, approximately 3% higher than in 2015. In 2017, The US imported a massive 664,000 tons, up 10% year-on-year, according to the National Oceanic and Atmospheric Administration (NOAA). Import in EU showed stable or increasing trends. Consumer demand for shrimp in the EU remained relatively weak since 2012. Stable prices of *Vannamei* did help to recover total EU shrimp imports in 2016 by 2% to total 783,900 tons. Imports from extra-EU countries (supply 73% of imports) was up marginally intra-EU trade grew by 25%. Top suppliers: imports increased from Ecuador, Argentina, Greenland and Viet Nam but declined from India. Related to the EU Veterinary Authority's step up in the mandatory quality checks of Indian farmed shrimp from 10% to 50% - caused additional costs for importers and led to diversification of shipments to other markets. Japanese market: stable and showing a decline trends since 2006. Throughout 2016, stable consumer demands for shrimp helped to maintain positive import growth in Japan. Leading suppliers: Viet Nam, Thailand, India, Indonesia and China. Nearly 27% of imports consisted of value-added products such as tempura shrimp, cooked shrimp, and sushi shrimp with rice.

Strong regional and intra-regional trade in shrimp persisted in Asia during 2016 in order to supplement local demand and facilitate re-exports. Year-on-year imports

increased significantly in Viet Nam, China, the Republic of Korea and Hong Kong SAR. China's shrimp imports in 2016 increased by 4% to total 107,000 tonnes with Argentina, Canada, Ecuador, Thailand and Greenland as top suppliers. In 2016, Viet Nam was possibly the largest shrimp importer in Asia. Combined exports of tropical shrimp from Ecuador, India, Thailand, Iran and Malaysia to Viet Nam totalled 303,000 tonnes in 2016, which is 100,000 tons higher than in 2015.

Unfortunately, production of food to meet the food security challenge is constrained with three major factors. The first one is the resource scarcity. The second factor is the limitation of environment. The third factor is the climate change. It is conclusive that the climate change will cause reduction of agricultural yield worldwide, and we have to embrace and respond to the negative and probably disastrous impacts. At farming practice level, there are always immediate threats. Diseases are by far the single biological factor that could result in crop failure and cause big economic loss. Asian aquaculture is also facing deterioration of genetic quality of cultured stock. Other threats include poor seed quality and unreliable supply and uncertainty of feeds and feed ingredients of their quality and supply. Externally, we have market problems and the major issues are associated with price fluctuation, often lower than expected, coupled with uncertain market demand. Farming practices are required to comply with all environmental compatibility and consumers demand that the products are not only safe to eat with high quality, but also produced with ethical practices and social responsibility. Standards and certification are becoming requirements for market entry.

Regarding feed cost and fishmeal issues, feed accounts for more than 70% of total production cost. Shrimp feed production in the region still consumes substantial amount of fishmeal of which large portion is sourced through import. Crackdown on IUU fishing may be affecting fishmeal supply.

For the outlook of shrimp production concerning future demand and supply, he stated that shrimp producers need to realize that shrimp is relatively a costly protein source, consumers may readily shift to more economic substitute any time. There is always greater risk when a product is heavily dependent on export markets. However, it is recognized that consumption and demand for seafood including shrimp will continue to increase with increasing population, increasing purchasing power of consumers and raising awareness for healthy diets.

He revealed that the most likely scenario of the shrimp production in Southeast Asia are that traditional overseas markets such as USA, EU, Japan will continue to accommodate products from major shrimp producing countries in SEA, but import volume will be more or less the same, price fluctuation is expected, driven by temporary demand and supply, the region needs to look inward for domestic markets and intra-regional trade, global growth may be less than 4% from 2018 – 2020, China will produce more but with a lower growth rate than global average or stagnant production in coming years which is due to government policies, resource limitation, environment impacts, supply in China may fall in short and it is likely that seafood will be sourcing overseas, China is probably the largest potential market for other producers in the region and lastly, shrimp culture in SEA will continue to grow, led by Indonesia, Viet Nam and Thailand, possibly at double digits in coming 2-3 years, depending on market conditions in China and production in India. He remarked that the intensification of shrimp production must come with the way to prevent shrimp diseases to avoid the impact put into environment. His presentation appear as **Annex 4**.

IX. CONCLUSION AND RECOMMENDATION OF THE NINTH ASA MEETING

12. In order to push up the ASEAN Shrimp GAP, the Meeting agreed that the assessment of ASEAN Shrimp GAP should be firstly implemented. Secondly, the formation of ASEAN Certification Scheme will be considered, and then the promotion of ASEAN Shrimp GAP will be encouraged for the recognition of the international market.

13. The Meeting agreed that under ASA Meeting, fisheries matter upon mutual interest and benefit should be discussed, such as technology transfer, joint research and innovation for shrimp farming.

14. To reactivate the ASA website, the Meeting suggested the topic be uploaded in the website should include feed, disease, aquaculture information, international tariff, works and technical paper. The website should be open for researchers to upload their works, and provide communication channel (Q&A) for visitors. Moreover, the link to access the website would be shared to NACA, SEAFDEC, etc.

15. The Meeting agreed that the information of outbreak of shrimp diseases situation and information should be communicated through NACA and ANAAHC platform.

16. The Meeting agreed that AMSs should submit the ASA focal point to ASA secretariat at least by the end of July 2019.

17. The 10th ASA Meeting will be held in Brunei Darussalam, date and venue of the 10th ASA Meeting will be upon further consideration.

X. CLOSING OF THE MEETING

18. The Chairperson, Dr. Chumnarn Pongsri, expressed his appreciation to the representatives from the AMSs and regional/international organizations for their active participation and constructive suggestions that would assist ASEAN to move forward on ASEAN Shrimp GAP. Upon the spirit of ASEAN and integrated work among AMSs, obstacles shall be overcome. Shrimp is still the major commodity of ASEAN and no other commodity could be comparable in term of commercial potential. He wished that if ASEAN could follow the recommendation made by the Meeting today, the prosperous opportunity is waiting ahead and ASEAN could produce the quality shrimp to supply the global market.