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Overview of Shrimp Aquaculture Certification Schemes

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EXECUTIVE SUMMARY/INTRODUCTION

There is growing interest in advancing the certification of aquaculture-produced shrimp by government agencies and the industry in producer countries and by major importers, wholesalers and retailers in Europe and the United States. The industry movement toward certification in importing countries is being driven by retailer demand – not necessarily consumer demand per se, but the desire on the part of major retailers in the European and US markets to demonstrate their ‘corporate responsibility’ by marketing products certified as environmentally and socially responsible in response to NGO and general public concerns regarding food safety, the environment, and labor and working conditions in developing countries. In this regard, certification schemes, and retailers in particular, are vulnerable to the charge of “greenwash” or social irresponsibility if they do not deliver on the standards or stated aims of the scheme or if the scheme itself falls short of public expectations. As such, they may be open to NGO input or criticism to some extent or another. On the producer side, epidemic diseases and increased food safety standards in market countries has put significant pressure to ‘clean up’ farm operations and this has generated interest in certification more broadly.

Certification schemes will clearly grow and are likely to become a prominent feature of the shrimp aquaculture industry over the next several years. Given the interest of major retailers in the US and Europe, it is not inconceivable that a significant percentage (e.g. 20% or more) of the global production of farmed shrimp could be certified by one scheme or another within the next 5-10 years. As the ‘economy of scale’ of certification increases, in some cases this could mean that the shrimp aquaculture industry in entire regions or even whole countries could come under one or more certification schemes.

Section 1 of the paper attempts to provide a brief summary of major certification schemes about which the author was able to find and digest detailed information as well as information related to the market pressure that is driving increasing interest in certification, primarily in Europe and the United States. There is a large body of material of relevance to certification, much of which is quite technical. Unfortunately the author was unable to review all of the existing schemes of relevance, such as Thai Quality Shrimp (Thailand), Shrimp Seal of Quality (Bangladesh), and the Alter-Trade Japan schemes, given time limitations. Hopefully, the workshop participants from Bangladesh, Thailand and elsewhere familiar with these schemes can provide useful information and analysis at the meeting in Bangkok.

Sections 2-3 focus on several key schemes. These sections are intended to provide basic information on these schemes - who is behind them, how they are structured and operate, select environmental and social standards upon which they are based, and the criteria and mechanisms by which shrimp farms are certified or disqualified for certification.

The schemes highlighted in these sections were chosen on the basis of those most likely to become the prevalent on the retail side of the industry over the coming years, in particular the GAA/ACC and EurepGAP schemes. The Naturland scheme is highlighted because it has been subject to serious criticism by the Swedish Society for Nature Conservation and because a detailed and very useful critique of Naturland’s of certification of shrimp farms in Ecuador has been conducted by C-CONDEM. The Naturland scheme and its review by NGOs and

community groups could provide a basis for a case study of the strengths and weaknesses of certification as a means of promoting change in the operations of shrimp aquaculture farms. Although this paper was unable to go into this in detail, hopefully there will be a good discussion at the workshop involving those with direct knowledge of the issue in Ecuador.

Finally, although not a certification scheme itself, the Principles for Responsible Shrimp Farming developed by the Consortium consisting of NACA, the World Bank, UN FAO, WWF and UNEP, are discussed in the paper and as an Annex given the importance these may play in harmonizing certification schemes in the future.

Section 4 briefly describes a number of voluntary NGO consumer information guides which are not certification schemes per se, but which do influence consumer demand to some extent or another and may become enlisted in promoting one or another shrimp certification scheme in market countries.

Section 5 concludes the paper with an attempt to synthesize and analyze much of the information in the previous sections and pose a series of questions for consideration by the workshop participants. These range from questions regarding the extent to which certification schemes could be used to make real changes on the ground to whether certification schemes, in the end, are likely or not to have a major impact on shrimp aquaculture production globally.

Author's note: Several people have graciously agreed to serve as external reviewers of the document on relatively short notice. I have not been able to incorporate their comments given the need to get the paper out to workshop participants, but I would like to highlight several comments below as they will assist in evaluating the information in the paper:

From Peter Vandergeest: *Many environmental groups, (particularly northern-based groups?), tend criticize certification for weak standards and implement[ation], and call for more stringent technical standards, tighter monitoring, better enforcement. Much of the discussion in this document takes this approach (how can we ensure mangroves are not harmed, for example). This approach is one that also provides openings for working with industry; as it is possible to achieve compromise and workable procedures around technical standards. But the effect can be to exclude community participation in regulation, since community participation means leaving the specification of standards open to local processes. The industry is also much less likely to accept any real community participation, as it represents (seemingly) a real loss of power compared to top down regulation of farmers. How to reconcile these? These kinds of questions could be added at the end, in the issues section.*

What is important to me is to not to put community participation in to sections on social responsibility, but to leave open possibilities for community involvement in the specification of rules and guidelines in all areas where they have an interest—zoning, water effluent qualities, sediment disposal, measures to prevent seepage etc.

I am personally concerned about the involvement of northern-based organic certifying agencies in shrimp farm certification. My limited experience is that they seldom have a clear sense of the complex social issues surrounding shrimp farming in the coastal zones of southern countries (eg., does simple legal ownership of land can satisfy concern about encroachment onto

public/community land? Often not; property rights in coastal areas are often ambiguous, and local influential people can often find ways of obtaining legal documents to satisfy this requirement even where they are sitting on public/community land. How does one know this without carefully consultation with local communities?)

From Simon Bush: *Definition of what constitutes social and environmentally responsible practices does appear to be mixed (confused) with the organic production throughout the paper. Is this because the certification schemes mix these concepts? The ToR for the report asked for a review covering first, second and third party certification. Would it not be useful to better classify the various schemes along these (or similar) lines?*

From Chris Grieve: *Some gaps: the northern/southern stakeholder question; and the vertical reach question (chain of custody/traceability standards ensuring that certified product is not mixed with uncertified product in supply chains); pricing; differences between large/small production units and how producers are assisted in complying.*

I have suggested including reference to the FAO Guidelines on Ecolabelling of Fish and Fish Products from Marine Capture Fisheries - while not directly related to aquaculture standards, the founding principles and procedural guidelines are fundamental for the credibility of any voluntary, 3rd party certification scheme - for example, the separation of accreditation and standard setting functions and certification. I've also suggested mentioning the ISEAL Alliance – its work is of relevance to the NGO community, especially relating to stakeholder involvement in certification programmes.

I would also like to acknowledge and thank Anna Gray, Alfredo Quarto, Leo van Mulekom and especially Mathew Parr for their edits, comments and suggestions. The author takes sole responsibility for the accuracy of the information in the report.

Note: This paper is a working draft as it still requires a further review for accuracy and to more clearly highlight where standards and criteria were taken verbatim from relevant documents. Additional footnotes will be added and reviewers comments will be incorporated as best as possible in the final version.

1. OVERVIEW OF SELECT CERTIFICATION SCHEMES

“Consumer demand in northern markets is at record highs, and shrimp exports from the developing world run to the tune of \$8.7 billion a year.” (UN FAO press release, 11 Sept 2006)

Global Aquaculture Alliance/Aquaculture Certification Council (ACC):

The GAA was founded in 1997 largely in response to NGO criticism of the shrimp aquaculture industry (e.g. the Choluteca Declaration). The GAA established a “Responsible Aquaculture Program” which first drafted a set of ‘Guiding Principles for Responsible Aquaculture’ then Codes of Practice for Responsible Shrimp Farming” and finally “Best Aquaculture Practices standards”. All of these are available on the GAA website at www.gaalliance.org.

The Aquaculture Certification Council was formed in 2002 to certify that shrimp aquaculture producers meet the Best Aquaculture Practices (BAP) standards established by the Global Aquaculture Alliance. The ACC scheme may well be the certification scheme that will have the greatest impact on the shrimp farming industry over the next few years. This is primarily as a result of the fact that two major US seafood retailers – Wal-Mart and Darden (owner of the Red Lobster chain of restaurants) – have recently endorsed the GAA standards and ACC certification scheme.

Wal-Mart, in a press release on 17 Nov 2005 stated that “Wal-Mart has partnered with Global Aquaculture Alliance (GAA) and Aquaculture Certification Council, Inc. (ACC) to certify that all foreign shrimp suppliers adhere to Best Aquaculture Practices (BAP) standards”. Darden (1400 restaurants), possibly the largest single retailer of farmed shrimp in the world, announced in late 2005 and early 2006 that it would begin requiring its farmed shrimp producers and processors to be certified by the ACC.

Wal-Mart also announced that it was working with NGOs to “improve” the GAA standards with “assistance from ... various non-governmental organizations such as Conservation International.” Wal-Mart claims to have enlisted the help of Conservation International to recommend potential improvements to the GAA standards and to be engaged in ensuring that the GAA Farm Standards Committee incorporates CI’s recommendations. According to Bambi Semroc, manager of agriculture, forestry, and fisheries for Conservation International "These revised aquaculture standards incorporate a number of strengthened provisions to address environmental threats arising from unsustainable shrimp-farming practices".

Now that Wal-Mart and Darden have endorsed the GAA/ACC scheme, it may only be a matter of time before other major US retailers of farmed shrimp follow their lead, according to Bob Rosenberry, an authority on the farmed shrimp market. The US market for farmed shrimp is likely to be the largest in the world and could account for sales of as much as 1/3 to one-half or more of farmed shrimp produced worldwide.

Endorsement of the ACC scheme has also occurred in the UK and is likely to spread to retailers in other countries. Lyons Seafoods Limited of the UK, which claims to supply over 50% of the UK market for warm-water prawns, states that it sources all of its farmed shrimps from suppliers

that can demonstrate compliance to the Best Aquaculture Practices (BAP) as laid down by the Global Aquaculture Alliance (GAA).

EurepGAP: EurepGAP represents 26 European retailers and focuses primarily on food safety. It sometimes states that it also covers worker welfare and environmental issues. It is HACCP-based with a limited address of environment and worker welfare (for EurepGAP worker welfare refers to health and safety re: chemicals – see website – put in proceedings). EurepGAP claims to involve 50% retailers and 50% producers in standard setting processes. The standards are meant to be a floor on which retailers would not compete – providing a set of minimum requirements for sale of products in EurepGAP retailer stores. The old version of the standard had 276 control points (or issues to address): the new version 220. There is a new section on handling and packing at farm level with a focus on meeting European regulations. EurepGAP is implemented in 37 countries covering 35 0000 hectares using 31 certification bodies. The initiative was driven by a couple of key retailers (e.g. AHOLD). The requirements are important to know about for those intending to export into Europe. The standards started with fresh produce, but are moving into coffee next.

EurepGAP, was formed in 1997 primarily in response to consumer concerns over food safety prompted by the health scare over mad cow disease and debate over the introduction and use of genetically modified organisms in food production. EurepGAP includes many, if not most, of the major supermarket and ‘hypermarket’ grocery chains in Europe. It has been established primarily to certify food products as safe for consumers but the stated objective overall of EurepGAP is “to ensure integrity, transparency and harmonisation of global agricultural standards. This includes the requirements for safe food that is produced respecting worker health, safety and welfare, environmental and animal welfare issues.” Minimizing detrimental environmental impacts of farming operations is a stated important goal.

To include here, Fig: Development of EurepGAP Membership

EurepGAP is subdivided into various groups, including an “Integrated Aquaculture Assurance” (IAA) group. This group is composed of major supermarket holding companies such as Ahold, based in the Netherlands (with supermarkets across Europe and in the United States), Aeon (headquartered in Japan), Coop (Switzerland) and McDonald’s Europe as well as Heiploeg BV (Netherlands) – the leading wholesale provider of shrimp products to the European market, and Marine Harvest (Netherlands), one of the world’s largest salmon aquaculture producers.

The group has recently established a Technical Committee to begin drafting/negotiating standards for certifying shrimp aquaculture production. The Committee is chaired by a representative of Heiploeg, indicating that Europe’s largest wholesaler of farmed shrimp is playing a lead role in the process from the start. The expectation is that EurepGAP could agree to shrimp aquaculture standards and begin certifying shrimp farms within the next two years. Dutch retailers have communicated their goal to have EurepGAP IFA (Integrated Farm Assurance) for fresh pork, poultry and fresh dairy products implemented by 1-1-2007, and IAA implemented by 1-1-2008. Although no shrimp standard yet exist, their intentions are clear. The potential impact of this scheme on producers, given the size of the companies and markets involved, is very large, especially given that many if not all of the supermarkets and retailers that are members of

EurepGAP are committed to some degree or another to only selling EurepGAP certified product lines.

To include here figures, EurepGAP Certified Grower and Countries with EurepGAP Certified Produce

It is clear that the GAA/ACC scheme and the EurepGAP certifications schemes will overlap and there is likely to be industry interest – particularly from importers and retailers - in ensuring that the schemes are complementary. A GAA representative is apparently already liaising with the EurepGAP Technical Committee. One possibility would be for EurepGAP to designate the GAA/ACC as a “benchmark” scheme – that is, any farm, hatchery etc that is certified by the ACC would automatically qualify for certification by EurepGAP. EurepGAP could also incorporate the GAA standards in whole or in part. The primary differences at this point between the approach of the two (recognizing that EurepGAP has not yet developed standards specific to shrimp farming although it does have general aquaculture standards) is that EurepGAP’s principle aim is to address consumer concerns related to food safety, whereas GAA and ACC aim at advancing environmentally and socially responsible aquaculture to address the sustainability concerns of consumers and NGOs. IUCN Netherlands and OxfamNOVIB have been following the process and will provide more detailed information at the meeting in Bangkok.

Naturland: Naturland certified farms only represent a small portion of market share but, like the ACC scheme, it is relatively advanced in terms of development and implementation, with a number of farms already certified. It was apparently the first to develop standards (1999; revised in 2002) and implement a certification scheme for organic shrimp farming. Naturland also includes environmental issues, such as mangrove loss, in its standards.

Several detailed critiques of Naturland certifications have already been conducted by the Swedish Society for Nature Conservation, Accion Ecologica and by C-CONDEM in Ecuador. Naturland has responded to these critiques and asserts that it has engaged in dialogue with a number of other NGOs regarding its certification scheme. This situation may provide some useful lessons on the effectiveness or difficulties involved in NGOs and community groups trying to work with shrimp certification schemes to challenge the standards by which they operate and/or the certification of individual companies or farms.

NACA: The Network for Aquaculture Centres for the Asia Pacific, WWF, the World Bank and the UN Environment Programme have produced a set of “International Principles for Responsible Shrimp Farming” on the basis of a five year consultative process. At the September 2006 meeting of the UN FAO (COFI) Sub-Committee Aquaculture, the NACA International Principles for Shrimp Farming were “welcomed” by the 50 countries attending the meeting, according to a UN FAO press report.

Rohana Subasinghe, senior aquaculture expert at FAO and Secretary of the Sub-Committee, stated that the NACA principles were in part designed to address the fact that there are a range of competing rules and certification schemes that exporters must deal with and that the principles “will help pave the way for a more common vision of how we should define responsible shrimp

farming, globally”. He also stated that they “can also serve as a point of reference for governments, non-governmental organizations and private industry who are developing systems to certify farm-raised shrimp as eco-friendly or sustainable, or who are looking to harmonize systems that are already in place”. (Check memo from Alfredo w/ further FAO releases)

Whether or not the NACA principles ultimately serve this purpose remains to be seen. However, these are the most important set of principles and standards specifically designed for shrimp farming to emerge from an intergovernmental process to date. As such, they are likely to carry weight with governments and have at least some influence over the future development of shrimp aquaculture certification schemes. Furthermore, the UN FAO plans to hold a meeting or meetings of ‘experts’ over the next two years to “review the various certification systems currently being used for farmed shrimp and other aquaculture products, analyze their comparative benefits, and explore their possible harmonization”.

The question of ecolabeling and related schemes has been a prominent feature of the UN FAO’s work on fisheries over the past several years, with many governments seeing the FAO Committee on Fisheries as a means of establishing a political process to challenge or shape private sector labeling schemes. In this regard it is worth noting that the May 2006 meeting of the Board of Trustees of the Marine Stewardship Council – the most prominent of the wild fisheries certification schemes - discussed the changes to the MSC program that are required to make it fully consistent with the FAO ecolabeling guidelines regarding accreditation and objections and noted that the MSC is in the final stages of designing and implementing these changes. At the same time however, a number of governments (e.g. the US) have argued in the past that the UN FAO and other intergovernmental bodies do not have the right to interfere with private sector initiatives, provided they are consistent with international law.

Other schemes: There are a range of other schemes of relevance, several of which are mentioned in the following sections of the paper. These include the **Marine Stewardship Council**, which is the most prominent international certification scheme for wild-caught fisheries. A number of fisheries which, combined, consist of close to 2 million tons of commercial catch per year are now certified to the MSC Standards. The MSC is seriously considering establishing standards for certifying aquaculture products. The General Assembly of the **International Federation of Organic Agriculture Movements (IFOAM)** approved aquaculture standards in 2005 after a nine year process of discussion and consultation with its members. A number of the certification bodies associated with IFOAM have expressed interest in certifying shrimp aquaculture operations, though formal approval to do so may not occur before 2008. The **Forest Stewardship Council** also provides some useful comparisons from the point of view of the structure, and membership and accountability of the organization and its credibility with NGOs and forest dwelling peoples and indigenous groups.

2. STRUCTURE/GOVERNANCE

2.1 Global Aquaculture Alliance/Aquaculture Certification Council

2.1.1 Global Aquaculture Alliance (GAA)

The stated aim of the GAA Responsible Aquaculture Program is to “promote best management practices for aquaculture” that “encourages the culture of safe, wholesome seafood in an environmentally and socially responsible manner” and to help “improve the efficiency and long-term sustainability of the aquaculture industry”. To this end, the Best Aquaculture Practices (BAP) standards address “property rights and regulatory compliance, community and employee relations, mangrove conservation, effluent and sediment management, soil and water conservation, postlarvae sources, drug and chemical management, microbial sanitation, and harvest and transport.” The BAP standards serve as the standards by which shrimp farms and other facilities can be certified by Aquaculture Certification Council certifiers.

The founding membership of the GAA consists of a long list of companies and industry associations involved in some aspect of the shrimp aquaculture or seafood industries, including the Asociación Nacional de Acuicultores de Honduras, Associação Brasileira de Criadores de Camarão, Cámara Nacional de Acuicultura (Ecuador), Charoen Pokphand Aquaculture Business Group (Thailand), Darden Restaurants (USA), Monsanto and the Royal Ahold Group (Netherlands). Companies pay an annual fee of between US\$1,500 US and US\$15,000 to be ‘governing members’ (approximately 36 such members listed on the GAA website). Few, if any, conservation NGOs are listed amongst the founding or governing members.

The GAA has a Board and several full-time staff (president, vice president etc). It also has a 12 Member Technical Committee for shrimp farm standards consisting of representatives of the aquaculture and seafood industries, academics and NGOs as follows:

- Four representatives from relevant national industry associations
- Two representatives from relevant industry supplier associations
- Two representatives from academic, regulatory, or financial groups
- Two representatives from conservation NGOs
- Two representatives from the Global Aquaculture Alliance.

Currently Conservation International occupies one of the NGO seats – the other is unfilled. (The names and affiliations of the members of the Committee are not publicly available.)

The Technical Committee meets on an ad-hoc basis and is responsible for reviewing and recommending any changes to the GAA’s BAP standards. The process involves essentially four steps: 1. a preliminary draft or drafts are submitted by the GAA and other interested parties; 2. the Committee produces a draft or drafts of new and/or revised standards; 3. the draft standards or revisions to existing standards are posted to the GAA website for a 2 month public comment period; 4. upon completion of the comment period, the committee produces a final draft and puts it to a vote.

A change to the BAP standards by the Technical Committee requires that at least eight members vote (a quorum) and that the change receive at least 80% of the votes of the committee in support of the change. In practice this would mean that, assuming that all twelve of the members of the Technical Committee participated in the vote, at least 10 votes would be needed in support of a change to the BAP standards; alternatively only 3 votes would be necessary to block a change. Interestingly, the Technical Committee appears to have the final say in the revision of the standards agreed by the GAA. Its decisions are considered final and apparently may not be overridden by the GAA Board or other bodies. The GAA Secretariat is charged with making revisions to the ACC Certification Application Form in light of any changes to the standards.

The GAA Technical Committee is currently in the process of redrafting several elements of the BAP standards, including in relation to the extent to which mangroves can be impacted by shrimp farming. The proposed changes to the standard will be posted on the GAA website at some point in late 2006 for a 2-month public comment period as per the four step process described above.

The “Responsible Aquaculture Program” is one of the main activities of the GAA. However, the GAA is an aquaculture industry association and, as such, also holds conferences, publishes a newsletter, and otherwise provides support to the shrimp aquaculture industry – for example, the GAA was involved in providing information in relation to the recent ‘anti-dumping’ case in the US.

2.1.2. Aquaculture Certification Council (ACC)

The ACC was set up in 2002 to serve as a means of independent evaluation and verification of whether shrimp farms and other facilities (hatcheries and processing plants) are operating consistent with the GAA Best Aquaculture Practices (BAPs). The ACC has been given the exclusive right to ensure compliance with GAA standards by the GAA. In other words, the ACC is the only body that provides the means to certify that shrimp aquaculture operations meet GAA BAP standards. The stated mission of the Aquaculture Certification Council is “to certify aquaculture facilities that apply best management practices to ensure social and environmental responsibility, food safety and traceability throughout the production chain.”¹

ACC currently certifies only shrimp hatcheries, farms and processing plants though it plans to certify feed mills and ‘analytical laboratories’ in the future. Once certification is fully established for shrimp, other species will also be included.

The ACC has a Board of Directors consisting predominantly of seafood and shrimp aquaculture industry representatives. The Board is composed of individuals affiliated with the following companies and organizations:

Indian Ocean Aquaculture, SARL, Seajoy*, Bluecadia Aquaculture Group, LLC*, Eastern Fish Co.*, H-E-B Grocery Co. L.P., Ocean Trust, Texas A & M University, Ocean Cuisine International*, Lyons Seafoods Ltd.*, INFOFISH, Suntay Aquaculture, Pty., Ltd.²

¹ <http://www.aquaculturecertification.org/accmiss.html>

² * either certified farm and/or processor or “licensed” buyer of ACC certified products.

The ACC trains its own certifiers, many of whom have extensive experience with the shrimp aquaculture industry. The ACC maintains conflict of interest rules that do not allow individual certifiers to certify a company with whom the certifier has worked within a certain period of time (e.g. apparently a certifier cannot evaluate a farm for which he/she has worked within the previous year). Certifiers receive a one-week training program (ACC Certifier Training Course). On its web page, the ACC lists over 100 individuals and bodies already accredited as certifiers and invites companies to contact several potential certifiers to get the best price. While technically ‘3rd party’ certification, the ACC scheme is largely run by companies involved in the industry that it certifies.

The certifiers generally spend several days evaluating a shrimp farm or facility and decide whether the facility meets the requirement for certification, as stipulated in the GAA/ACC Aquaculture Facility Certification: Certification Application Form. The ACC may review the determination for quality control purposes but is not likely to challenge a certifier’s decision. However, the ACC may conduct ‘surprise audits’ from time to time – taking several certifiers to the same facility and having them all evaluate the facility, then compare the results for consistency. Furthermore, certifiers are required to participate in a retraining course every two years.

Most of the facilities certified thus far are processing facilities (ACC also includes food quality and food safety criteria as part of its certification process). However, it is likely that more farms will be certified in the near future in response to market demand and, ultimately, the ACC is moving toward a vertically integrated approach – which at this point the ACC labels its “three star” approach. A three star group is one that consists of farms, processors and hatcheries certified by the ACC. The appeal to an importer or wholesaler is that a purchase from the group means that all aspects of the operation are ACC certified (with the exception of the feed). From the ACC website:

“Expalsa Exportadora de Alimentos, S.A. became the largest “three star group” within the Best Aquaculture Practices (BAP) program in late May, when certifier Giovanni Garófalo Vallejo completed inspections of the Expalsa Exportadora de Alimentos processing plant; Lifava, Panalcorp, Ciminocorp, Ymelmar, Dominiolit, Tropimar, Plumont, Costa Oeste, and Limasol farms; and Expalsa Division Laboratorio de Larvas hatchery. Expalsa is an organic shrimp producer and processor in Ecuador that uses closed-system farming with no water exchange. Since its farms are scattered, only a few adjacent facilities could be certified together.”³

From the Expalsa group website:

“Our Shrimp Farm division has more than 2,300 hectares of high technology pools, distributed in several zones of Ecuador. All of our farms are certified organic by different institutions such as Naturland (Germany) and Biosuisse (Swiss). We also count with the certification of QCS Quality Certification Services (USA) for our antibiotic, hormones, and chemical free product.”⁴

³ <http://199.238.130.190/accnews.html>

⁴ <http://www.expalsa.com/html/english-general.html>

Expalsa is referenced in the report from Swedish Society For Nature Conservation (Ronnback and Hubendick) entitled “Eco-labelling of shrimp farming in Ecuador” although it is not clear whether any of the Expalsa farms are located in the specific areas which the SSNC researchers attempted to visit. This report, and a report by Accion Ecologica entitled “Green light for impunity: shrimp business certifications” paint a very critical picture of the certification process and procedures of Naturland in Ecuador to which Naturland has responded. Clearly the considerable amount of work that has gone into the critique of the Naturland certification scheme in Ecuador and the exchange with Naturland could also be used as a basis to inform a critique of the ACC certification process and the GAA Standards as well.

Altogether, the ACC has certified facilities in the following 16 countries: Ecuador, Honduras, Colombia, Madagascar, USA, Nicaragua, India, Thailand, Bangladesh, Vietnam, Belize, Mexico, Brazil, Venezuela, Netherlands Antilles and Indonesia.⁵

2.2.1 Naturland: Structure

Naturland is based in Germany and was established in 1982. The stated “objective and mission” of Naturland is “the conservation of the environment and the maintenance of the natural basis of life by means of organic farming in all fields of agriculture”. The information below is taken from the Naturland website, with slight modification in some cases, and highlights key elements of the Naturland structure:

Organisation: Naturland is a membership based organization and claims to have over 36,000 members as of 2006. In Germany, the member ship is organized by states based regional associations or sector-specific associations. Naturland members outside of Germany apparently are also organized by region or country or sector specific associations.

Assembly of Delegates: The members elect delegates from their regional and sector-specific associations to the Assembly of Delegates. The members who do not reside in Germany also send delegates to represent the interests of the international Naturland members. The Assembly of Delegates determines the policies and the current objectives of the association. It decides on the budget, passes motions on modifications of the standards upon recommendation of the Standards Committee and determines the system of membership fees. Once every three years it elects the Board of Directors which heads the Naturland association.

Standards Committee: The members of the Standards Committee are recommended by Naturland's Board of Directors and elected for a term of two years by the Assembly of Delegates. The mission of the Standards Committee is to draft Naturland's standards and to bring them constantly up-to-date. The committee can create sub-committees with permanent or temporary members, all of whom have distinguished themselves by their particular expertise in the field of organic agriculture. The sovereignty over the standards, i.e. the right to decide on which standards are to be accepted or modified, lies with the Assembly of Delegates. Naturland considers the development of standards as an open-ended process, that must take into account and incorporate technical developments, as well as new developments in relation to social, ethical, political, environmental and economic issues.

⁵ <http://www.aquaculturecertification.org/accfaci.html>

Certification Committee: The Certification Committee is a statutory body within the association which does not have to comply with any directives concerning its expert decisions which it takes solely on the basis of the current Naturland standards. The work of the Certification Committee is performed by three sub-committees (domestic production, international production, processing). Each sub-committee has the task of deciding on the certification of the producers on the basis of the inspection reports produced by the independent certifiers: Institute for Marketecology (Switzerland) and BCS-Öko-Garantie (Germany). If the farm or aquaculture facility passes inspection, it will be issued with a certificate and a certification letter confirming the certification. Naturland itself is accredited as certification body by IFOAM (International Federation of Organic Agriculture Movements), NOP/USDA (National Organic Program of the US) and to ISO 65.⁶

2.2.2 Naturland: Certification

The Institute for Marketecology (Switzerland) and BCS-Öko-Garantie (Germany) are in charge of the inspections of the farms, hatcheries, feed production and shrimp processing plants. The reports from these inspections or ‘audits’ are sent to the relevant Naturland Certification Committee. The Committee makes the final decision as to whether the certification is to be granted or renewed.

According to Naturland, all Naturland certified operators (farms, processing plants) are inspected for compliance with Naturland standards at least once a year. Also, at least 10% of all farms are subject to surprise or unannounced sample inspections every year. These surprise spot checks may also be arranged in cases where farms are suspected of failing to comply with Naturland standards.

Naturland is obliged to treat the details of the farm operations and the certification procedure as confidential although it claims that a majority of organic farms, and in particular shrimp farms, are willing to publicly release the information. Nonetheless, probably as a result of criticism from NGOs, Naturland recognizes the need to begin making at least some portion of the shrimp farm inspection reports publicly available, and is looking into establishing procedures to do so.⁷

Altogether Naturland has certified over 36,000 farms of all types to its standards for organic farming, textile production, forestry and aquaculture. The shrimp farm certification program appears to be relatively limited thus far – as of 2005 Naturland has certified shrimp aquaculture farms in Ecuador, Peru, Vietnam, and Indonesia (possibly Brazil and Thailand as well). Naturland may be planning to certify farms in India, Bangladesh, and Venezuela in the near future.

Swedish Society for Nature Conservation and C-CONDEM have extensively critiqued Naturland’s certification of farms in Ecuador (and in Indonesia). In the case of Ecuador, Naturland has responded by labeling SSNC a “boycott” group that may be motivated by an interest in closing the Swedish market to imported shrimps in order to protect Swedish shrimp

⁶ http://www.naturland.de/englisch/n4/counterstatement_ssnc_report.pdf

⁷ http://www.naturland.de/englisch/n4/shrimpinfo_sweden_06_04_03.pdf

fishermen. Naturland claims that other groups such as Greenpeace, WWF and Ecuadorian organizations such as Fundación Natura, Fundación Yatun Sacha, and Fundación Malecón all take a more rational view of shrimp aquaculture and implies that at least some of these organization support the objectives of Naturland.

2.3.1 EurepGAP: Structure

EurepGAP is governed by the Industry through its Steering Committee. FoodPLUS GmbH is a German limited company set up to act as the Secretariat for EurepGAP. FoodPLUS “ensures independence in the operation of the EurepGAP Standards and is a not-for-profit company”.

EurepGAP has five stated strategic pillars which support decision making within EurepGAP.

1. **Partnership:** Retailers and producers are equally represented in decision making committees. EurepGAP provides open access to certification systems for all producers globally thereby encouraging the adoption of safe and sustainable agricultural practices.
2. **Integrity:** The certification process is developed and operated to standards which are industry leading and exceed accreditation norms.
3. **Benchmarking:** Operating principles of independent, fair and transparent benchmarking to demonstrate equivalence and facilitate recognition of national and regional farm assurance schemes.
4. **Stakeholder Involvement:** Meeting the specific information and data needs of members. To work with other key stakeholders particularly government and non-government organisations. Foster an open and consultative culture, which contributes to the global effort of harmonising GAP certification standards.
5. **Efficiency and Effectiveness:** EurepGAP will develop globally relevant, cost effective solutions on behalf of its members to avoid multiplication of standards, systems and audits. It will strive to use internal resources as efficiently as possible.

There are a series of sector specific EurepGAP Steering Committees. Both the standard and the certification system are approved by the Technical and Standards Committees working in each product sector. These committees have 50% retailer and 50% producer representation. The work of the Committees is supported by FoodPLUS. EurepGAP does not allow NGOs on its technical and standards committees to draft and review standards and their implementation. It does have a complaints procedure though it is not clear the extent to which EurepGAP is bound, if at all, to respond to complaints by NGOs or community groups.

The EurepGAP Aquaculture Assurance Standard was developed in cooperation with Ahold NL and Fjord Seafood Pieters jointly with SGS at a first stage, and now also with participation of Stolt Sea Farm (now Marine Harvest), Nutreco, Panfish and Scottish Quality Salmon. Elaboration of further modules, including the shrimp module, is based on market demand of retailers/suppliers.

Retailers requiring IAA EurepGAP certification are at present: Aeon Co., Ltd. Japan; Ahold Netherlands; CBL Netherlands; Coop Switzerland; Delhaize Belgium; McDonald s Europe Germany; Metro Group Germany; Migros Switzerland; Wm Morrisons United Kingdom. Altogether 31 retail organisations are now using EurepGAP in their supply chains.

To include here list: EUREPGAP Retail and Food Service Members

2.3.2 EurepGAP: certification

EurepGAP claims to be “one of the very few globally operating standardisation organizations that enjoy a high level of political and financial independence from the public sector as well as from individual member influence and shareholder agendas. To keep its independence EurepGAP does not conduct the certification process itself. Farmers or farmer groups can only be certified against the EurepGAP criteria by authorized Certification Bodies (CB). A EurepGAP Certification Body is a company fulfilling the requirements for approved EurepGAP CBs to grant EurepGAP certification in the relevant product scope. Currently EurepGAP is working with over 100 CBs in more than 70 countries.”⁸

EurepGAP is a pre-farm-gate-standard that means the certificate covers the process of the certified product from before the seed is planted until it leaves the farm. EurepGAP is a business-to-business label and is therefore not directly visible for the consumers.

A list of all the farms that have been EurepGAP registered per country is not published. If a farmer or farmer group is EurepGAP certified can be checked via the registration number or certificate number on www.eurep.org see "Certificate Validation". There will be an additional search feature in the EurepGAP Database for Retail and Supplier Members for certified farmers. A prerequisite to see this information is that the farmer allows access to his data.

2.4 Others: IFOAM, MSC, FSC

The International Federation of Organic Agriculture Movements (IFOAM) is a grassroots and democratic organization that currently unites 750 member organizations in 108 countries according to its website.

The IFOAM General Assembly is at the foundation of IFOAM - it elects the “World Board” and the Board, in turn, appoints members to official committees, working groups and task forces based upon the recommendation of the IFOAM membership. The Board has formally established several committees, including the Norms Management Committee, which includes members of the Standards Committee and the Accreditation Criteria Committee, and the “Development Forum”, which works towards the development of organic agriculture in developing countries. IFOAM member organizations also establish regional groups and sector specific interest groups. IFOAM has Four Regional Groups based in Asia, the Mediterranean (AgriBio Mediterraneo), the German-speaking countries, and the EU as a whole plus two national groups in Japan and France

IFOAM accreditation is awarded to certification bodies that use certification standards that meet

⁸ <http://www.eurepgap.org/Languages/English/about.html>

the IFOAM Basic Standards through the IFOAM Accreditation Program. The certification body must demonstrate compliance with the IFOAM Accreditation Criteria.

IFOAM accreditation (accrediting the certifiers) is carried out under contract by the International Organic Accreditation Service Inc. (IOAS), a US based organization. IOAS accepts and reviews accreditation applications, conducts site evaluations, and grants IFOAM accreditation to compliant applicants.

The Accredited Certification Bodies have implemented a Multilateral Agreement (MLA) amongst themselves. The MLA creates multilateral equivalence at the level of the Accreditation Criteria and the IFOAM Basic Standards. Implementation of the MLA streamlines certificate acceptance among the certification bodies, and thus helps to support and ensure orderly market transactions and trade. As an initiative that is administered by the certification bodies, the MLA also supports the objectives of the IFOAM Organic Guarantee System. Naturland is one of the Certification Bodies accredited to certify to IFOAM Standards.⁹

A subcommittee of IFOAM initially drafted aquaculture standards in 1997 and, after several rounds of redrafting and further consideration by interested IFOAM members, the standards were adopted by the IFOAM General Assembly in September 2005.

Any weaknesses in the standards must be taken up with IFOAM directly. If an accredited certifier is not applying the standard correctly, NGOs or others can make a complaint to the IOAS. The IOAS is required to investigate any complaint which suggests non compliance with either the IFOAM standards or the IFOAM accreditation criteria. The complainant can ask their identity to be kept confidential in sensitive cases or where there is a potential danger to the complainant. IOAS might investigate a complaint even if received anonymously but is not bound by its procedures to do so - it would depend on the content and likely reliability of the information.¹⁰

There are a number of certification schemes that have been structured to ensure the formal participation of NGOs and non-user groups in the decision-making process at various levels. Two such schemes are **the Forest Stewardship Council (FSC)** and **the Marine Stewardship Council (MSC)**.

The FSC is a membership based organization divided into three separate “chambers” – the Economic Chamber consisting of commercial entities (logging companies, certification bodies, etc), the Social Chamber (indigenous peoples organizations, social issues NGOs); and the Environmental Chamber (environmental/conservation NGOs). Each Chamber has an equal vote in the FSC General Assembly, made up of all members of the FSC. The General Assembly is the highest level body of the organization and elects the Board as well as exercises oversight over the activities of the FSC. NGOs, community organizations and indigenous groups are extensively represented in the FSC governance structure.

⁹ http://www.ifoam.org/about_ifoam/standards/ogs.html; and http://www.ifoam.org/about_ifoam/inside_ifoam/organization.html

¹⁰ correspondence between Gudrun Hubendick of SSNC and the IOAS, 4 September 2006

The MSC is not a membership based organization but it does have a “Stakeholder Council” roughly divided between non-user groups (conservation organizations, consumer and academic interests), and industry groups (fishing companies, processors, ‘developing nation and fishing community interests’, including the World Forum of Fish Harvesters, and retailers, including Wal-Mart). The Stakeholder Council provides a mechanism for the formal input of non-industry (as well as industry) groups regarding the certification process, principles and criteria, and other aspects of the structure and function of the MSC. However, the highest decision-making body is the Board of Trustees, which is not bound to abide by the recommendations of the Stakeholders Council although the legitimacy of the MSC derives, in part, from the support provided by NGO members of the organization. Current NGO members of the Stakeholders Council include the US based National Environmental Trust, the David Suzuki Foundation (Canada) and the Industrial Shrimp Action Network, WWF Germany and the European Consumers Organisation.

The MSC has established an ‘Objections Procedure’ whereby any NGO or group of NGOs (whether on the Stakeholder Council or not) can appeal a decision to certify a particular fishery if the NGOs have well argued concerns. The MSC is required to respond - however, it requires that the certifier answer the complaint first.¹¹ In addition, much of the documentation of individual certifications (fisheries, companies, cooperatives) is publicly available on the MSC website.¹²

¹¹ http://www.msc.org/html/content_464.htm

¹² http://www.msc.org/html/content_493.htm and http://www.msc.org/html/content_484.htm

3. COMPARISON OF SELECT STANDARDS

3.1 MANGROVES/WETLANDS

3.1.1 Global Aquaculture Alliance /Aquaculture Certification Council

GAA/ACC Standard 4 - Environment: Mangrove Conservation And Biodiversity Protection (taken from the ACC document: Aquaculture Facility Certification, Guidelines for BAP Standards)

“Shrimp farms shall not be located in mangrove areas, seagrass beds or other coastal wetlands. Farm operations shall not damage wetlands or reduce the biodiversity of coastal ecosystems. Mangroves removed for allowable purposes shall be replaced by replanting an area three times as large.”

Implementation:

- **Shrimp farms should be located on salt flats or other lands above the normal tidal zone.**
- **Farm construction shall take place outside wetlands and not infringe on areas occupied by mangroves, seagrasses, or other sensitive wetland vegetation.**
- Certified farms shall not discharge effluents into public mangrove areas to effect water treatment unless monitoring at the point of entry shows that total suspended solids do not exceed 100 mg/L or 50 mg/L after five years.
- **Mangroves removed for allowable purposes shall be mitigated by replanting an area of mangroves three times the size of the area removed.**
- Encourage farms to employ nonlethal measures for predator control even where lethal methods are permitted.
- During initial facility inspection, the ACC certifier will note farm areas occupied by mangroves or other coastal wetlands. When farms are inspected for recertification, the certifier will determine if subsequent mangrove removal was allowable and required mitigation was performed. **Mangrove removal for unapproved purposes or failure to mitigate allowable removal will result in loss of certification.**
- If farms cause mangrove mortality, the deficiency shall be corrected for continuation of certification (paraphrased).
- Planting to mitigate the removal of mangroves shall be done in suitable brackish water areas. If suitable replanting areas are not available on or near a farm, proof of financial contribution to a recognized mangrove reforestation project shall be provided.
- All farms in mangrove areas are encouraged to demonstrate mangrove stewardship by replanting mangroves or contributing to reforestation. When ponds constructed in former wetland areas are closed, farms should restore mangroves or other wetland vegetation in the abandoned areas.

In addition to the above, there are GAA/ACC Standards for effluent discharge, and use and storage of chemicals and antibiotics.

ACC Certification guidelines/approval process regarding mangrove and wetlands loss:

The following comes from the ACC document: Aquaculture Facility Certification: Certification Application Form. This is used by the certifier to determine whether the farm or other facility qualifies for ACC certification and the questions below are specifically related to the evaluation of the facility in relation to the GAA/ACC Standard 4 (above). The letter “C” indicates that the question must be answered with a yes to qualify for certification. The letter “S” indicates that a positive answer to the question will help qualify the facility for certification, however, a negative answer will not automatically disqualify the facility.

4.1: Has net loss of mangroves or wetlands on facility property occurred **since 1999**? __ Yes_ No
(If no, do not answer questions 4.1.1 and 4.1.2. Certifier will adjust final score.)

C: 4.1.1: Were the mangroves or wetlands removed for allowable purposes? ____ Yes ____ No

C: 4.1.2: Was the removal mitigated by restoring an area three times as large or donation to restoration? (Documentation required.) ____ Yes ____ No

4.1.2.1: Removal was mitigated by mangrove replanting or wetland restoration of _____ square meters on or near farm

4.1.2.2: Removal was mitigated by contribution of U.S. \$ _____ to Restoration Program _____

S: 4.2: Has your facility practiced unrequired mangrove or wetland replacement in abandoned production areas or elsewhere? (Documentation required.) ____ Yes ____ No

4.2.1: How was the stewardship demonstrated? (Documentation required.)

4.2.1.1: Mangrove planting or wetland restoration of _____ square meters on or near farm

4.2.1.2: Contribution of U.S. \$ _____ to Restoration Program

3.1.2 NATURLAND

A first set of Organic shrimp standards was officially adopted by Naturland’s Assembly of Delegates in 1999; in 2002, the standards were revised.

Key components are as follows (from the Naturland website):

- no use of antibiotics and other chemicals
- protection of the mangrove forest
- integration of natural plant communities in farm management
- using low-input feed and fertiliser from certified organic origin
- mild, natural breeding procedures, no stocking with wild larvae
- environmental monitoring, prevention from negative impact on water bodies
- positive relationships to other forms of land use (agriculture, fishery)
- promotion of polyculture systems (e.g. milkfish, bees, fruit-bearing trees, sheep) instead of shrimp monoculture.

The Naturland principles and standards as they relate to the impact of shrimp farms on mangroves are as follows:

General Principle II. Principles of Management (quoted from Naturland Standards for Organic Aquaculture)

1. Selection of site, interaction with surrounding ecosystems

1.1. *By selection of site and the method of management of the farm, the surrounding ecosystems shall not be adversely affected. In particular, negative impact caused by effluents as well as by escape of animals shall be prevented by adopting suitable preventive measures. In the case of installation of new farms or amplification of already existing, natural vegetation shall not be damaged in a lasting way....*

1.2. *Through appropriate design and management of the farm areas it shall be ensured that the water bodies inside the operation retain their ecological functions depending on the respective geographical conditions (e.g. breeding ground for amphibians and water insects, resting place for migratory birds, migration routes for fish). For this purpose, in particular, adequately large areas showing natural vegetation (e.g. water reeds, higher aquatic plants or helophytes) shall be protected or re-planted by the enterprise.*

Site selection, protection of mangrove (see II.1.)

1.1. ***Mangrove plant communities have to be protected.*** *Mangroves are considered as extremely important ecosystems that, at the same time, are worldwide endangered due to human activities. Therefore, it is not permitted to remove or damage mangrove forest for purposes of construction or expansion of shrimp farms. Any measure carried out by the farm or on the farm's demand likely to influence adjacent mangrove forest (e.g. construction of pathways and channels to the farm area) shall be announced to and approved by Naturland.*

1.2. ***Farms (here: independent, coherent production units), which in parts occupy former mangrove area, can be converted to Organic Aquaculture according to Naturland standards if the former mangrove area does not exceed 50% of total farm area. Pre-condition, however, is that in any case the relevant legal requirements for land use, reforestation etc. have been observed. The former mangrove area in property of the farm shall be reforested to at least 50% during a period of maximum 5 years. The harvest of this area is not permitted to be labelled and marketed as Organic product according to Naturland standards, until the Naturland Certification Committee has confirmed the successful completion of reforestation. Furthermore, the yearly progress in reforestation activities as laid down in the conversion plan shall be confirmed by the Certification Committee.***

On the question of loss of mangroves, in Ecuador Naturland set a date of 1994 as the cut-off date for certification – any farms built after 1994 which resulted in loss of mangroves cannot qualify for certification given legislation in Ecuador that makes it illegal to destroy mangrove forest to build shrimp farms. Other elements of Naturland's standards for environmental protection include requirements to minimize the outflow of nutrients, preventative measures to minimize impacts of salt water on surrounding areas, prohibition on the release of toxic substances into the ponds and surrounding areas and a requirement that 50% of total dyke surface be covered by plants within 3 years of certification.

3.1.3 EurepGAP

Minimizing detrimental environmental impacts of farming operations is a stated important goal of EurepGAP. This is addressed in the IAA under Principle 1.8 – “to ensure good practice with regard to the management and protection of natural resources and the proper disposal of farm wastes” and a Wildlife policy whose “objective is not to leave a long term footprint on the production area”. No explicit mention is made within the current IAA of mangroves or wetlands, although it is expected that they will be covered in the forthcoming Shrimp aquaculture module.

Related criteria under this principle include¹³:

- An environmental risk assessment must be assessed, based on ISO 14001 or equivalent which must be carried out when new and re-started aquaculture enterprises are to be introduced near to existing fish farms or environmentally sensitive areas. Legal compliance and the risk assessment have to be demonstrated by documents assessed. No N/A, unless existing site.
- An environmental risk assessment must be assessed, based on ISO 14001 or equivalent which must be carried out for existing aquaculture enterprises. Legal compliance and the risk assessment have to be demonstrated by documents assessed. No N/A, unless new or restarted farm.
- Producers must be able to demonstrate awareness of the impact of their aquaculture activities on the environment (water, air, flora, fauna, noise, odour), and consider how they can enhance the environment for the benefit of the local community with an Environmental Impact Assessment or the Risk Assessment?

A group of ‘recommended’ criteria are included to address wildlife and biodiversity issues. This group includes the control point:

- Does each producer have a Management of Wildlife and Conservation Policy Plan for each enterprise? Is this Policy compatible with sustainable commercial aquaculture production and minimize environmental impact of the aquaculture activity? Are key elements of this plan considering the following?: Conduct a baseline audit to understand existing fish and plant diversity around the farm; Conservation organizations can help conduct surveys to measure biodiversity and identify areas of concern; Take action to avoid damage and deterioration of habitats; Create an action plan to enhance habitats and maintain biodiversity on the farm. Action plan must be assessed.
- Are risk assessments of wildlife issues made for each site and plans made to maintain wildlife? Assessment must be assessed.

3.1.4 Network of Aquaculture Centres in Asia-Pacific, UN FAO, UNEP, World Bank, WWF

¹³ CONTROL POINTS AND COMPLIANCE CRITERIA INTEGRATED AQUACULTURE ASSURANCE - Code Ref.: IAA 2.1 CP, Version: 2.1-June05, Section: CPCC

International Principles for Responsible Shrimp Farming, Principle 1 – Farm Siting:

“Locate shrimp farms according to national planning and legal frameworks in environmentally suitable locations, making efficient use of land and water resources and in ways that conserve biodiversity, ecologically sensitive habitats and ecosystem functions, recognizing other land uses, and that other people and species depend upon these same ecosystems.”

Implementation guidance:

- **Build new shrimp farms above the inter-tidal zone.**
- **No net loss of mangroves or other sensitive wetland habitats.**
- Do not locate shrimp farms on sandy soils or other areas where seepage or discharge of salt water may affect agricultural land or freshwater supplies.
- **Do not locate new shrimp farms in areas that have already reached carrying capacity for aquaculture.**
- Retain buffer zones and habitat corridors between farms and other users and habitats.
- Obey land use and other planning laws and coastal management plans.
- **Improve existing farms in inter-tidal and mangrove areas through mangrove restoration, retiring unproductive ponds and increasing productivity of remaining farm areas above the inter-tidal zone.**

3.2 COMMUNITY RELATIONS/SOCIAL CONFLICTS

3.2.1 GAA Standards 1-3: “Community Relations”

From the document ACC Aquaculture Facility Certification: Certification Application Form:

Standard 1. PROPERTY RIGHTS AND REGULATORY COMPLIANCE: Farms shall comply with local and national laws and environmental regulations, and provide current documentation that demonstrates legal rights for land use, water use, construction and operation.

Standard 2. COMMUNITY RELATIONS: Farms shall not deny local communities access to public mangrove areas, fishing grounds or other public resources.

Standard 3. WORKER SAFETY AND EMPLOYEE RELATIONS: Farms shall comply with local and national labor laws to assure adequate worker safety, compensation and living conditions at the facility.

1. Shrimp farm owners **should have clear title or right to their property or other current, legal land concession agreements.**
2. Shrimp farm management **should schedule meetings with local communities to exchange information.** This is particularly important in the planning stages for new farms or expansions.
3. Shrimp farm management **should attempt to accommodate traditional uses of coastal resources** through a cooperative attitude towards established local interests and environmental stewardship.
4. Shrimp farm management **should contribute to community efforts to improve local environmental conditions, public health and safety, and education.**
5. **Local workers should be employed** to the extent possible, and all practical means made to prevent conflicts between local people and workers from outside.
6. **Workers should be fairly compensated** with respect to local wage scales.

7. **Healthy and safe living and working conditions should be provided.** Procedures should be established for dealing with illness and accidents, and employers must be responsible for making sure that workers are fully aware of these procedures.
8. Shrimp farm management should have clearly defined and posted security policies.
9. Employees should have a clear understanding of their duties and of company expectations regarding their performance.

ACC certification/implementation:

1. Property Rights and Regulatory Compliance

C 1.1: Are documents available to prove legal land and water use by your facility? ____ Yes ____ No

1.1.1: List the documents you will present. (Confirmed during inspection.)

C 1.2: Are documents available to prove all business and operating licenses have been acquired by your facility? ____ Yes ____ No

1.2.1: List the documents you will present. (Confirmed during inspection.)

C 1.3: Are documents available to prove compliance with applicable environmental regulations for construction and operation? ____ Yes ____ No

1.3.1: List the documents you will present. (Confirmed during inspection.)

2. Community Relations

C 2.1: Does your facility accommodate local inhabitants by not blocking traditional access routes to fishing grounds, mangrove areas and other public resources? ____ Yes ____ No

(Prepare to provide area map showing property lines, fences, canals, ditches and other barriers. Certifier may interview members of local community.)

2.2: List meetings, committees, correspondence, service projects or other activities that show your facility is committed to regular interaction with the local community to avoid or resolve conflicts.

3. Worker Safety and Employee Relations (paraphrased):

This section contains 2 major benchmarks for certification - 1. the farm must pay employees at least the minimum wage and provide the minimum benefits as required by local and national laws. The other is that the farm must comply with applicable child labor laws. The remainder of this section involves an assessment of labor and living conditions at the farm (e.g. adequate housing, safe drinking water, emergency medical services). Deficiencies in one or more of these areas do not automatically disqualify the farm from certification.

3.2.2 NATURLAND

Naturland's Social standards are found at point 11 of the Naturland Standards for Organic Aquaculture:

11. Social aspects

11.1. The respective provisions of "Naturland Standards" apply. Additionally, there are specific issues to be observed in aquaculture operations:

11.2. The staff shall be trained regarding the basic principles of organic aquaculture. The timetable for this measure shall be defined in the conversion plan.

At least one responsible person familiar with the contents of these standards shall permanently be in easy reach of the farm.

11.3. The operator of the farm has responsibility as well for the housing and living conditions of employees living permanently or temporarily on the farm area. The IFOAM Social Standards shall apply as basic requirements.

The respective regulations concerning industrial law shall be adhered to.

11.4. In accordance with the representatives of the neighbouring municipalities/regional authorities, the farm operator shall ensure free access for fishermen and other interested persons to open waters adjoining the farm area. Therefore, installation of fenced gateways or issuing of transit passes is recommended. In any case the legal regulations shall be adhered to.

3.2.3 EurepGAP

EurepGAP's main strategy for addressing social issues is covered in the context of a Public Private Partnership Project between the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), EurepGAP and Coop (Switzerland) where a set of Good Risk-based Agricultural Social Practices (GRASP) will be elaborated. During the ongoing standard review process (until 2007) the EurepGAP Steering Committee has endorsed to apply a holistic approach to the improvement and further development including environmental and social aspects into the standard on a practical consensus basis. Initially, standards covering mainly worker rights will be included as a voluntary add-on module to existing standards. Findings of the PPP-Project will be publicly available and open for discussions. See annex for existing draft add-on module.

EurepGAP IAA includes a principle on Staff, but the standards do not address wider (off-farm) community impacts of farming operations.

EurepGAP address obeying the law within the Legislative Framework control points and criteria¹⁴, including:

- Are farms operated in accordance with all applicable legislation? Fish farm staff must be able to demonstrate awareness at interview of a list of the relevant Food Safety, Animal Welfare and Environmental legislation and the implementation of the legislation. No N/A

2.4 Network of Aquaculture Centres in Asia-Pacific, UN FAO, UNEP, World Bank, WWF

Principle 8 – Social Responsibility:

Develop and operate farms in a socially responsible manner that benefits the farm, the local communities and the country, and that contributes effectively to rural development, and particularly poverty alleviation in coastal areas, without compromising the environment.

***Justification:** There are increasing demands for products which are produced through environmentally sustainable shrimp farming practices, but that have been produced by employees who were treated fairly, and that the enterprise that produced the product is a respected and active component of the society. It should be the responsibility of a civilized society that the benefit is derived from shrimp farming are shared equitably.*

Implementation guidance:

- Minimize conflicts with local communities that may result from shrimp farm development and operation and ensure that aquaculture developments are mutually beneficial.
- Take measures to ensure shrimp farming benefits the communities in shrimp farm areas.
- Ensure shrimp farm worker welfare and fair working conditions.
- Minimize risks to smallholders engaged in shrimp farming through training, extension and appropriate technical and financial support.
- Provide training to farmers and workers in responsible shrimp farming practices.

¹⁴ CONTROL POINTS AND COMPLIANCE CRITERIA INTEGRATED AQUACULTURE ASSURANCE - Code Ref.: IAA 2.1 CP, Version: 2.1-June05, Section: CPCC

4. CONSUMER GUIDES

In addition to certification schemes, there are a number of consumer education and advice initiatives that provide guidance directly to consumers on what fish products to buy and what not to buy. Most have a grading or marking system along the lines of green (buy), yellow (buy with caution) and red (definitely don't buy). Amongst the organizations that have produced such guides are WWF in various countries, Nordzee Foundation (Netherlands), Marine Conservation Society (UK), Monterey Bay Aquarium (US), Blue Ocean Institute (US), and Environmental Defense (US). All of these schemes contain guidelines and assessments used as the rationale for listing their recommendations and all of the schemes recommend not buying tropical farmed shrimp. The three US groups recommend buying US shrimp (farmed and wild) and, in one case, Canadian wild caught shrimp but to avoid buying imported farmed or trawl caught shrimp.

There is also an organization called the Seafood Choices Alliance (SCA) with several dozen NGO members from the US, Canada, UK, and the Netherlands, amongst other countries, as well as international NGOs WWF, Greenpeace and Conservation International. The Seafood Choices Alliance also lists businesses, primarily restaurants at the moment, which sell seafood consistent with the recommendations of the SCA. In the greater New York City area alone, well over 100 restaurants are on the list. While there are large numbers of US based retailers associated with the SCA, there are, as yet, few based in other countries. The SCA is attempting to expand its membership and influence in Europe and elsewhere. The SCA only lists species and products that it recommends as coming from sustainable fisheries (It does not specifically recommend against buying other species/products – e.g. no red list). Farmed shrimp is not on the SCA list of recommended buys.

It is not clear how much of a market impact the consumer guides and SCA initiative have had although they appear to have generated widespread interest in at least some of the major importing/consumer countries. It is possible that one or more of these organizations could at some point issue a public recommendation to buy farmed tropical shrimp certified by one or more of the certification schemes discussed above.

5. CONCLUSIONS/DISCUSSION

The industry movement toward certification in importing countries is being driven by retailer demand – not necessarily consumer demand per se, but the desire on the part of major retailers in the European and US markets to demonstrate their ‘corporate responsibility’ by marketing certified products in response to NGO and general public concerns regarding food safety, the environment, and labor and working conditions in developing countries. In this regard, certification schemes, and retailers in particular, are vulnerable to the charge of “greenwash” or social irresponsibility if they do not deliver on the standards or stated aims of the scheme or if the scheme itself falls short of public expectations. On the producer side, epidemic diseases and increased food safety standards in market countries (e.g. in relation to the use of antibiotics) has put significant pressure to ‘clean up’ farm operations and this has generated interest in certification more broadly.

Certification schemes will clearly grow and are likely to become a prominent feature of the shrimp aquaculture industry over the next several years. Given the interest of major retailers in the US and Europe, it is not inconceivable that a significant percentage (e.g. 20% or more) of the global production of farmed shrimp could be certified by one scheme or another within the next 5-10 years. As the ‘economy of scale’ of certification increases, in some cases this could mean that the shrimp aquaculture industry in entire regions or even whole countries could come under one or more certification schemes.

There is likely to be strong interest within the industry over the next several years – both amongst producers and importers/retailers - to consolidate or harmonize a number of these schemes. Whether this happens on a significant scale may depend on the extent to which the GAA/ACC, EurepGAP, the Marine Stewardship Council and NACA decide to work together in some fashion. Niche certifications, e.g. for 100% organically grown shrimp, are likely to continue alongside the larger certification schemes, although even here there may be some consolidation or harmonization as well. Wal-Mart, for example, recently announced that it intends to begin large-scale marketing of organic produce and the market for organic food products in a number of European countries is relatively robust.

Most schemes involve detailed questionnaires and certification documentation, which serves as the basis of the decision to certify or deny certification to a farm or other facility. The ACC Certification Application Form, for example, runs to 15 pages with detailed questions, although the required answers, in many cases, are lax. Nonetheless, this documentation could potentially allow for an outside review and challenge of certifications of particular farms or facilities. As stated earlier, the GAA and Naturland certification of the Expalsa group’s farms in Ecuador could provide a test case in regard to whether the farms really did meet the standards set by Naturland and the GAA and, if so, why the standards used by one or both schemes are deficient in protecting the environment and/or accommodating the concerns of surrounding communities. Similarly, the ACC has certified several other relatively large companies including the SeaJoy Group in Honduras and Camarones de Nicaragua. Would case studies of the pros and cons of the certification of these facilities be worthwhile?

Unfortunately, transparency varies considerably and none of the major schemes are fully transparent. The least transparent appear to be the GAA/ACC schema and EurepGAP. The

shrimp farm evaluation and certification documentation is treated as confidential in these schemes as well as the Naturland scheme although, as noted earlier, Naturland is considering making at least some of the documentation publicly available. Some, though, do have formal complaints or objection procedures. Arguably the best in this regard, in terms of organizations involved in certifying fish products, is the Marine Stewardship Council: MSC accredited certification bodies are required to consult widely with relevant “stakeholders” as part of the evaluation process; when a certification body recommends that a fishery qualifies for certification, the documentation produced by the certification body is made publicly available; and the MSC is formally required to initiate a review (‘appeal’) of a positive decision by a certification body if an NGO or group of NGOs puts forward a credible argument against it.

The governance structures of a number of the schemes such as the GAA/ACC and EurepGAP schemes are not open to significant NGO or community group participation although the GAA allows for two NGOs on its 12-member Technical Committee for shrimp aquaculture standards. This contrasts sharply with the FSC and, to a lesser extent MSC, as discussed in Section 2. Others such as IFOAM and Naturland have ‘General Assemblies’ – membership bodies open to some extent or another which serve as the ultimate decision-making bodies within the organizations.

All of the major schemes have (or will have, once implemented) environmental standards and social standards, although these standards vary significantly. Equally importantly, the implementation of the standards – the practical criteria which farms are required to meet to obtain certification – varies considerably, even in cases where the standards may appear to be fairly similar. Regarding the standards used by the various schemes for mangrove protection, the GAA Standard states “Farm operations shall not damage wetlands or reduce the biodiversity of coastal ecosystems.” Yet according to the GAA/ACC approach as reflected in question 4.1 of the ACC Certification Application Form, the GAA/ACC scheme, allows any farm that cleared mangroves before 1999 to apply for certification regardless of how much mangrove cover was lost. For loss of mangroves after 1999, the ACC requires either that the farm replant an area three times the size of the area destroyed after 1999, or instead donate money to a restoration fund
Is 1999 a reasonable cut off date? Are there other, more appropriate dates, or better approaches than using a cut-off date?

Also, there is very little in the ACC to address the question of biodiversity loss other than whether “net” wetland loss occurred after 1999. If so, provided mitigation/restoration takes place (at three times the area lost) certification can go forward. However, no assessment of the impact beyond the immediate loss of wetlands is required – e.g. no assessment of potential impacts on coastal and marine species, including fish important to coastal fishing communities, coral reefs, seagrass beds, etc. – nor whether the mitigation resulted in restoration of the biodiversity lost as a result of initial (post 1999) conversion of the wetlands. Finally, a contribution to a restoration fund, as opposed to restoration on-site, may invite opportunities for abuse of the system or allow for too much discretion to the certifier to determine that funding was sufficient and therefore the certification could be granted.

Both the GAA/ACC and NACA call for siting farms above the intertidal zone. Is this sufficient to prevent damage to mangroves or too vague a criteria? NACA calls for no net loss of mangroves or other sensitive wetland habitats. Naturland, on the other hand, calls for restoration

of half of the area of mangroves cleared by a shrimp farm within five years in order to qualify for certification. (In the case of Ecuador, any mangrove loss after 1994 inconsistent with Ecuadorian legislation prohibiting to clear mangrove areas for aquaculture farms automatically disqualifies a farm from certification.) A Naturland certification, if followed properly, would result in replanting, if not full restoration, of half of the mangrove area lost when the farm was originally constructed. This, on paper, appears to be a much stronger requirement than any other scheme in that it requires restoration of previously cut areas, not simply “no net loss” of mangroves after a certain date. Furthermore, according to Naturland, progress in meeting this requirement is monitored on a yearly basis.

Potential difficulties arise in documenting the extent of previous mangrove coverage (and therefore the extent of restoration required) and the date when the farm was built. Naturland claims to be monitoring the extent to which reforestation has been taking place on farms currently certified in Ecuador, using historical and recent satellite photographs (from the CLIRSEN project in Guayaquil), and claims that the farms are ahead of schedule in meeting this requirement. Naturland also claims that the ‘next step’ will be 75% - 100% restoration within a certain timeframe but it is not clear whether this will apply to existing certified farms, new farms seeking certification or both. However, SSNC and Accion Ecologica have raised the concern that documenting the actual date the farm was built or obtained legal title to the land is a very difficult task.

Most of the certification schemes contain at least some standards that roughly match the principles and standards agreed in one or more NGO declarations or recommendations. In reviewing the standards applied by the various schemes, one possibility is to consider whether one or more existing schemes could be modified to incorporate more of the types of standards that community groups and NGOs have advocated. There are a wide range of NGO and community group principles and criteria for sustainable shrimp aquaculture; for example those elaborated by the Environmental Justice Foundation. In addition, however, there are a number of agreed statements, declarations etc that have had fairly widespread support – examples include the NGO Statement to the 1995 meeting of the Commission on Sustainable Development, the Choluteca Declaration, and the Fortaleza Declaration (2004).

Beyond this is the more fundamental question of whether certification schemes will ultimately help deal with the many problems of the industry and, if so, how much the industry is likely to change as a result. Is the expected change worth the time and effort that community groups, NGOs and others working at the local, regional, national or international scale would need to put into engaging the process? Can NGOs and others have any real influence over the certification schemes that are most likely to be used most widely such as the GAA and EurepGAP? Will the certification of shrimp farms result in significant improvements on a local scale - in the vicinity of the farms that are certified - of interest to specific communities or NGOs? Will certification have a significant impact on the industry on a national or global scale? Or will it simply result in a rearrangement of the trade flows of farmed shrimp products – with certified farms exporting to the markets or retailers that demand the certified product and uncertified farms continuing to conduct ‘business as usual’ and selling to companies and markets that do not require certified products. Major retailers in Europe and the US are moving toward certification requirements – how much of the market is likely to shift as a result; what about Japan and China?

Issues for possible consideration by the workshop:

Could a certification scheme be devised on the basis of NGO and community group criteria for sustainable shrimp aquaculture as reflected in the Choluteca Declaration, the EJV criteria, the Fortaleza Declaration and other such documents?

Can the Standards and criteria of any of the existing schemes be improved to meet some, most or all of the concerns of NGOs and community groups?

Can the governance structures of any of the existing schemes be improved to allow for real transparency and NGO and community group input/participation into the certification process, revision of Standards, etc?

Is it worth time and effort in trying to change or promote schemes with little potential market impact and ignoring the larger schemes such as EurepGAP or the GAA/ACC?

Should NGOs and community groups consider challenging/engaging the GAA and/or EurepGAP and the retail companies supporting these schemes? If so, what is the best approach or range of approaches?

Case studies: Is it worth conducting a case study of an already certified facility to identify whether the shrimp farm was truly certified to the Standards of the scheme in question and, a) if not - document/critique the inconsistencies and raise concerns over the weakness of the scheme with the organization that runs the scheme, retailers and/or other interested groups or b) if so - to use it to identify weaknesses in the Standards where they exist or promote the scheme with others if it is found to be useful?

Are there complementary ways for organizations to work together, particularly in market and producer countries, to use certification schemes to press for changes in the shrimp aquaculture industry?

What role could certification play, if any, in an overall effort to change or limit the shrimp aquaculture industry - or are there more effective ways of achieving environmental and social objectives?

End

From: *Ecolabels: Where Are We Going?* Dr. Jason W. Clay, Vice President, Center for Conservation Innovation, World Wildlife Fund

Comparing Ecolabel Programs—The Case of Shrimp Aquaculture Ecolabels

“The following table comparing six different shrimp aquaculture certification and ecolabel programs indicate how such comparisons might be made. The programs being compared include Alter-Trade (Fair Trade), Global Aquaculture Alliance (Industry), Naturland (Organic), Thai Marine Shrimp Code (Producer Country), Carrefour (Retail), and ISO 14,001 (International Standards Body).

	A-T	GAA	Naturland	Thai	Carr	ISO
Clearly stated principles	Yes	Yes	Yes	Yes	Yes	Yes
Measurable standards	Few	Most	Some	Most	Most	None
Proscriptive, improvement, or results oriented	P/R	I/R	P/R	I	P/R	I
Address all producers	No	Biased to large ones	No	Yes	Biased to large ones	Biased to large ones
Address chain of custody	Yes	No	Yes	Yes*	Yes	No
Broad public consultation	No	No	No	No	No	No
3rd party certification	No	No	Yes	No	No	Yes
Product or Process	Process	Process	Process	Process	Both	Process
Habitat conversion	Yes	No*>00	Yes	No	Yes	No
Assess cumulative impacts	No	No	No	No	No	No
Obey the law	No	Yes*	Yes	Yes	Yes	Yes
Impacts on neighbors	Yes	Some	Yes	Some	Some	No
Improve efficiency of resource use (base/inputs)	Pros	Yes w/o standards	Yes & progress	Yes w/o standards	Yes w/o standards	Yes w/o standards
Measure effluents	No*	Yes	No*	Yes*	Yes	Yes
Measure water exchange	No	Imp	No	Imp	Imp	Imp
Allow antibiotics	No	Reduced	No	Reduced	Red & list	Reduced
Require hatchery PL	Yes	No	Yes	Yes	Yes	No
Allow GMO animals or feed	No	Yes	No	Yes	No	Yes
Require FCR levels	Yes*	No	Yes	No	Yes	No

“A number of similarities and shortcomings stand out across the different certification and ecolabel programs for shrimp products. No program has broad stakeholder support. The programs focus on production processes but do not guarantee residue free product. None of them are objective. Their standards are not all measurable, and they are not sufficiently transparent. No program applies to most producers. The programs have not been developed in ways that reduce producer costs. They all fail to adequately target social issues. Finally, none could exist without subsidies. It is highly unlikely that the similarities and shortcomings of the different programs are unique to shrimp.”

Key sources of info (more will be added):

EurepGAP

- EUREPGAP Global Report 2005 –
<http://www.eurep.org/documents/webdocs/E-book-Globalreport.pdf>
- CONTROL POINTS AND COMPLIANCE CRITERIA INTEGRATED
AQUACULTURE ASSURANCE -
http://www.EurepGAP.org/documents/webdocs/EUREPGAP_CPCC_IAA_V2-1_Jun05_update210605_for_printing.pdf
- <http://www.EurepGAP.org/Languages/English/about.html>
- <http://www.gtz.de/en/themen/uebergreifende-themen/sozial-oekostandards/2736.htm>
- http://www.cata-farmworkers.org/english%20pages/Proceedings_Social_Justice_Foru.doc

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