Aquaculture Governance Indicators (AGIs) assessment synthesis report

Country:
Vietnam

Species:
Whiteleg shrimp (*L. vannamei*)
Blacktiger shrimp (*P. monodon*)

Information presented based on assessment conducted February 2019.
Report drafted: April 2021

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Country overview

Vietnam is one of the largest shrimp producers in the world, producing 683,000 metric tonnes in 2017. Both intensive as well as extensive farming methods play an important role in Vietnam, with the world's largest extensive black tiger (*P. monodon*) aquaculture industry, and both small-scale (semi-)intensive Whiteleg (*L. vannamei*) production as well as large scale intensive Whiteleg farming. Most production is located in the Mekong Delta. The shrimp industry is mostly export-oriented, with the EU, Japan and US as main importers.

Main concerns according to the 2017 Seafood Watch report for both species include: habitat destruction and chemical use for all species and production methods, and source of stock for extensive black tiger farming.

Legislation

The Fisheries law explicitly addresses the aquaculture industry in detail. Shrimp is considered to be a typical species, for which extra regulation has been developed. In 2019 a new Fisheries law was effected. Note that this assessment is based on the 2003 Fisheries law, as the fieldwork took place in early 2019.

Together, the laws address most of the issue areas such as effluent, habitat (pond siting), chemical use and disease management. However, the legislation does not consider environmental aspects in great detail.

Environmental Impact Assessments are officially required to obtain a license for aquaculture, but in practice this is only required for large scale operations. There is very little consideration for cumulative ecosystem impacts through regional planning, which mostly occurs ad hoc.

Small-scale farmers are supported to comply with legislation through information dissemination (workshops, events and extension services). However, there are signs of various barriers (e.g. financial) for small-scale producers to comply with legislation.

Large gaps exist in monitoring and enforcement of legislation, leading to various forms of non-compliance. Because of a lack of monitoring, the actual level of compliance with legislation is difficult to estimate. The high number of rejections in export markets point at systematic non-compliance with regard to antibiotics use.

Vietnam has received a 'yellow card' from the EU for seafood (mostly because of IUU fishing) which is currently still active. The new law on Fisheries was introduced in response to the EU

yellow card. This new law is still under review by the European Commission.

Voluntary codes and standards

There are seven standards that play an important role in Vietnamese shrimp aquaculture. Three are private (ASC, Global G.A.P., GAA-BAP), one is organic (Naturland), one is public (Viet GAP), and two regional (ASIC shrimp and ASEAN GAP).

Participation in ASC and BAP is relatively high. Viet GAP is currently not widely recognized in the market, leading to little traction with the industry but the government does provide support in training costs and has demonstration farms.

Producers are ill-represented in the private standards, most of which have been developed through multi-stakeholder process, although outside of Vietnam and without the involvement of stakeholders from the country.

Moreover, the private standards are generally perceived to be only applicable to large-scale production because of their costs and complexity, whereas the Vietnamese shrimp industry is dominated by small-scale producers.

Public standards are encouraged as a stepping stone towards private standards. Export companies often support producers to cover the costs of compliance. However, support available to support small-scale farmers is deemed insufficient.

Processors are said to sometimes mix certified and non-certified products. Monitoring of all certifications is based on annual visits to production locations. The quality of this monitoring differs, though there are various systems in place to safeguard quality.

Collaborative arrangements

The collaborative arrangements selected were: i) interactive governance (Vietnam Seafood PPP and EURASTIP/VietTIP); ii) non-state self-governance (SuSV and ASIC shrimp); and iii) industry self-governance (VietShrimp).

Most actors are open to discuss goals and definitions in collaboration with others. However, not all issues are fully acknowledged by all actors, such as the extent of the antibiotics problem, while others are downplayed. At the same time, there is a high degree of engagement with others, such as research institutes and academics, by both industry and government actors. Staff training gets considerable attention from various actors.

Capabilities

For the assessment of capabilities, the following actors were selected:

1. State: Directorate of Fisheries (D-Fish) – the Directorate of Fisheries is the main government agency responsible for aquaculture.
2. Civil society: Oxfam – an NGO active in promoting sustainable shrimp in Vietnam.
3. Civil society/market: *ICAFIS* - association of shrimp producers that actively promotes sustainable shrimp.
4. Market: VASEP – industry association consisting of shrimp processors.

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by all actors, such as the extent of the antibiotics problem. Some issues are downplayed. For example, some actors deem VietGAP to be 'just as good as ASC' whereas there are apparent differences in the respective standards. There is a high degree of engagement with knowledgeable others, such as research institutes and academics, by both industry and government actors.

In general, there appears to be attention for practical issues and most actors set clear targets. The step towards actual practical implementation is not always clear. Staff training gets considerable attention from various actors, for example training of trainers and training for experts organized by D-Fish. Most actors have some M&E programmes, but there are indications that these receive insufficient funds.

All actors are involved in pilot projects to test out new production practices, techniques or organizational forms such as social enterprises. Most actors are willing to engage in pilot projects if uncertainties are low. Some of the persons interviewed seemed to be generally supportive of innovations, especially technological innovations and grouping of farmers in cooperatives. However, there is limited evidence for this assessment.

Most actors are organized at different levels and have offices at different locations, including the main production areas. There are some mismatches between scales, especially by government actors. Most actors are involved in coordination, but do not proactively address the mismatches caused by hierarchical governance structures.

Most actors are monitoring relevant news channels to respond to emerging complaints or issues. Especially VASEP is often cited as respondent in media articles. There are specific TV channels, radio shows and social media groups which serve as a platform for communicating about production techniques or any relevant happenings such as diseases. However, experts characterize the response by the industry to issues such as diseases and high antibiotics use as reactive. Experts also point out that shrimp value chains are not well-coordinated.

Actionable insights

Legislation: cumulative ecosystem impacts receive relatively little attention; the division of responsibilities between and within the various government agencies is sometimes subject to conflict; monitoring and enforcement of compliance with legislation is a major gap but current trade sanctions might be a driver for improvement.

Voluntary codes and standards: there is a need for more inclusive processes of standard development, which involve producers (especially small-scale) and communities, government, industry and NGOs; and increased coordination between standards – including the public standard – can decrease complexity and lead to more productive cooperation for improvement pathways.

Collaborative arrangements: there is a lack of actual implementation of deliberations into practice; attention to cumulative impacts and some particular issue areas can be improved; reporting of activities and progress by collaborative arrangements is often not up-to-date and/or incomplete; the lack of enactment and implementation of strategies was identified as one of the major gaps of the collaborative arrangements. This includes a lack of evaluation of the activities.

Capabilities: Not all issues are always acknowledged and there are some hierarchies

that impede full reflexivity; communication between actors appears to be well-organized, but proactive outsider engagement regarding controversial issues is limited; experts characterize the response by the industry to issues such as diseases and high antibiotics use as reactive, and point out that shrimp value chains are not well-coordinated.