



# Global Conference on Aquaculture 2010

Farming the waters for People and Food

22-25 September 2010, Phuket, Thailand

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**Global Conference  
on  
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**Expert Panel Presentation V.2:  
Servicing the aquaculture sector: role of  
state and private sectors**

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## What are services?

- “Services” covers “a heterogeneous range of intangible products and activities:
  - difficult to encapsulate within a simple definition
  - also often difficult to separate from goods with which they may be associated in varying degrees”.» (OECD)
- In aquaculture, services encompass:
  - a range of different products and activities that can be broadly categorized, but with overlap and interaction



## What is the purpose?

- Services should broadly support responsible aquaculture:
  - Economically viable aquaculture enterprises
  - Access to input and output markets
  - Healthy, safe, nutritious products
  - Environmental responsibility
  - Social and community value
- Policy, legislation and institutional capacity



## A wide range of services are required



## Public and private sector roles

- Diverse roles and responsibilities
  - Private roles – commercial orientation
    - advice to larger, commercial farmers, financial services, input supplies, testing, contracting
  - Public roles – public goods orientation
    - environment, food safety and security, small holders, industry start up
  - Roles and responsibilities vary with context and over time
    - *eg* from an emerging industry, to a mature sector where industry may take on more responsibility

## Diversity in delivery of services

- Various types of institutions involved in service delivery
- Various ways in which services are delivered
- Diversity in financial sources from subsidized services to profitable enterprises
- Differences in sustainability.
- No “one size fits all” approach

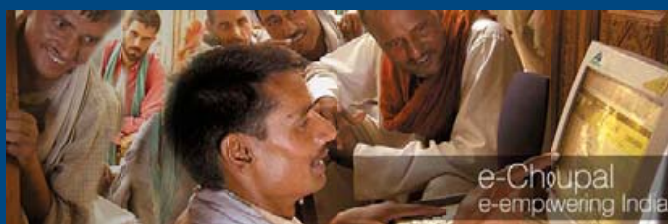


- **Example 1:** National Center for Sustainable Aquaculture (NaCSA), India – a public investment for social good



- **Example 2:** Growing use of modern communication systems and social networking: a mix of public and private sector

- ITC - e-choupal
- Aquaculture Centers, Aceh



e-Choupal  
e-empowering Indian farmers

### **Example 3: Seafood Services Australia Ltd**

[www.seafood.net.au](http://www.seafood.net.au)

- Standard & Development arm of industry
- Industry owned, funded by Govt & Industry
- Strategies set by Industry
- Applies for various funding for projects
- Directory of all services to industry available
- SSA Network – free to join
- Seafood Access Forum
- Internet Bookshop



### **What has been learned?**

- Wide range of services are essential
- They generate value – economic, social and environmental
- Private and public sectors have a role to play; these vary, but should be complementary
  - Small-scale to large scale
  - Public to private
- Major challenges to scale-out from successful projects with small holders
- Still limitations and gaps



## Public and private investments in services generate significant benefits

- Value created through NaCSA in India, and Aceh, Indonesia

US\$100/  
farmer



- US\$2.5 million farm gate value
- 2,600 households increased income of ~US\$1000/household
- Community and environmental benefits

- But, some investments may not yield short-term benefits, it takes time to organize small farmers, and a long lead in time is a disincentive for private investors

## Access to services is uneven

- Numbers of people
- Services mismatched to needs
- Small-scale resource poor farmers face special constraints, yet most require services
- Growing recognition of the importance of rural services, but further investment and new approaches required



## Has the topic met the expectations in the Bangkok Declaration?

- Services are not directly referred to in the Bangkok Declaration, but indirectly in many elements.
- However, questionable whether “improving the capacity of institutions to develop and implement strategies to target poor people” has been achieved
- Has it been too focused on central, and not enough upon local levels?
- Clearly, challenges for the future



## Major global influences

- Millennium Development Goals and food production
- Growing demand for aquaculture products
- Global markets, competition, prices
- Climate change and resilience
- Integrated farm to fork approaches
- ICT, social networking, internet
- Privatization of services, subsidies
- Donor and government investments
- “Brains not bricks” - knowledge based approach...





## What are the future expectations?

- Services are essential for growth and to respond to future challenges
- Demand for services grows
- Recognition of the importance of “rural services” to achieve MDGs and future food production
- Addressing the reduced public investment in extension in some countries
- Increasing business orientation
- What is the way forward?



## Equitable access

- Reaching the “bottom of the pyramid”
- Public investment?
- Private business?
- Encourage private sector models, but public commitment to finance, even if implementation carried out by non-state actors
- Social business?



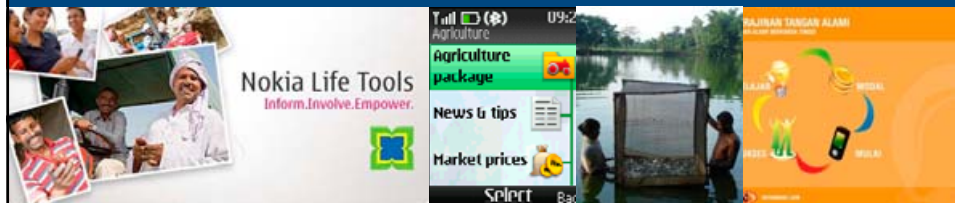


## Institutional arrangements

- *Elinor Ostrom , 2009 Nobel Laureate in Economic Sciences - "we can govern the commons if we invest in trust, local, action-based partnerships and cross-scale institutional innovations, where local actors, together, can deal with the global commons at a large scale"*
- Farmer organizations, locally owned institutions
- Communication networks that facilitate and enable institutions to work at scale
- Institutions that involve user participation, feedback and ownership and are sustainable

## Communications

- ICT will play an increasingly important role
- ICT can reduce costs and reach wide numbers of people
- Investments by public and private
- Work with partners to extend the coverage and new innovations



## Finance and investment

- Mix of public and private finance
- More efficient, effective and innovative to reach people
- Sustainability will mean business models that work for more, if not all
- Embed services into project investment plans
- New mechanisms and models to create value for smaller players
- Investments from along the “value chain”
- Safety nets for the most vulnerable



**Muhammad Yunus**  
1/2 of the prize  
Bangladesh  
Founder of Grameen Bank

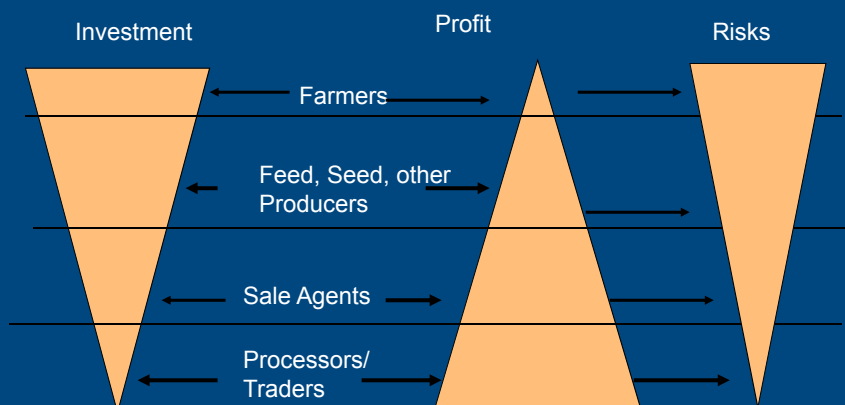
**Grameen Bank**  
1/2 of the prize  
Dhaka, Bangladesh  
Founded in 1976

## Better coordination and partnerships

- Sharing responsibilities, risks and costs
- Producer-buyer contracting, longer-term relations, allowing investment in services
- One stop shops for efficient access to information
- Public-private partnerships to ensure the right mix at the right time along the development process
- Inter-sectoral cooperation , complementarity

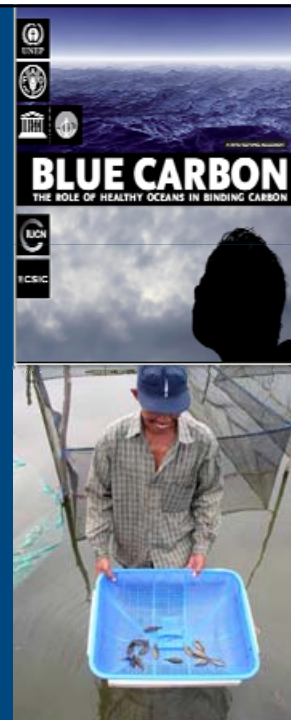


## Partnership for developing services and benefit sharing?



## Resilience

- Future services for many rural farmers will have to deal with multiple challenges and conditions in rural areas.
- Need to consider how new institutions and services can support resilience of rural households in the face of change
  - Markets
  - Climate



## The challenge of scaling up

- Many good projects..
- But, challenge in getting small-scale systems to work at scale
- 30 million employed globally?
- How many small-scale farmers?
- Many pockets of success, but how to reach farmers at scale?



## The Way forward

- Services are essential
- Need to address gaps and invest for the future
- No “one-size fits all” model, but need for sharing and networking of experiences to work at scale
- Scaling up existing models
- Public-private mix for sustaining growth in diverse contexts
- To respond in an increasingly complex and challenging environment, we may need an institutional revolution to support the blue revolution



Thank you

