



IFFO 56 Annual Conference Bangkok, Thailand



24th – 26th October 2016

Summary of 56th IFFO Annual Conference

Day 1

Monday, 24th October 2016

Held in the beautiful Shangri-La Hotel in Bangkok, Thailand, this year's conference sees 418 delegates from 43 countries come together to discuss the latest trends and developments in the marine ingredients industry. With speakers from all corners of our industry, the presentations and discussions promise to lead to many rich discussions over the next 3 days.

President's Address

Michael Copeland, IFFO President, South Africa

The conference was opened by IFFO President, Mike Copeland, asking the audience to hold a short silence to show condolences for the recent death of King Bhumibol Adulyadej of Thailand. Mr Copeland stated how important this meeting is to our industry both in terms of information sharing and the forging of vital business relationships. He went on to highlight the key challenge of resources that faces the feed industry, noting that alternatives should be used "As Well As, Not Instead Of" fishmeal and fish oil. He thanked the conference sponsors for all their support in making this event possible. Copeland ended his presentation with a polite reminder to respect antitrust regulations and wished all the members a successful and enjoyable conference.

Opening Remarks

Andrew Mallison, Director General, IFFO, U.K.

IFFO's Director General, Andrew Mallison, opened his presentation by adding his welcome to delegates. He then gave an update on IFFO's advocacy, media and project work, highlighting IFFO's recent work on Antioxidants and Forage Fish Ecosystem Management. He welcomed our new members and showed how IFFO's membership has grown by 20% in the last 5 years. He then gave an insight into IFFO's long term vision, showing where we will focus our efforts in the next 4 years and wished everyone a successful conference before introducing the first speaker, Andy Lohawatanakul from CP Group..

Sustainable Shrimp Supply Chain presentation

Andy Lohawatanakul, Head of International Sustainability Development, CP Group, Thailand

Andy Lohawatanakul gave a presentation covering the importance of traceability in dealing with criticisms of sustainability (including social issues) in seafood production, describing some of the work within the sustainable shrimp supply chain task force. He stated that CP's focus 30 years ago had been on quality, 15 years ago on environmental preservation and now on full traceability and social accountability, with the complexities of the many tiers beyond their operations. Lohawatanakul then went through CPF's sustainable development strategy and disclosures, employee and labour management and their sustainable sourcing policy. He noted that there are only two feed mills in the world certified that are IFFO RS CoC and both are CPF. He detailed CPF's shrimp feed mills electronic traceability system, their shrimp sustainable supply chain task force and their independent auditing program. He ended with an update on the Songkhla Fishermen's Life Enhancement Center and their objectives.



Investability – How the fish industry can attract capital

Stephen Hall, Principal, Avalerion Capital, U.K.

Stephen Hall opened by introducing Avalerion Capital, a boutique advisory and support service who build sustainability strategy and leadership in organizations and individuals to help drive systemic change. He provided a provocative presentation looking at investment in the sector and asking where the marine ingredients industry may position itself in the future, noting the importance of being able to respond to changes in the market place (and high costs as a driver for innovation of competing products). He pointed out that the whaling industry had failed with the advent of the electric light bulb (whale oil used to be used for lamps), and drew parallels with what could happen to the marine ingredients industry if it wasn't focused on the market.

He looked at industry trends and key drivers of change, analysing whether these trends are short or long term. Hall went on to analyse the demand for fish and technological advances and how they have or will affect the industry. He touched on the Thai slavery issue, as well as values and beliefs and their implications. Hall detailed the key to investability, stating that companies that want to attract capital for growth will probably need to educate investors about the sector. He mentioned the complexities of Satisfying Environmental, Social, and Governance (ESG) criteria and the importance for companies to improve their sustainability reporting performance in the language of the international marketplace. He ended with key questions, such as are we shaping the future or reacting to it.

Certification for the marine ingredients, fisheries and aquaculture industry **Panel discussion with invited industry experts**

The day ended with the IFFO RS V2.0 workshop where all the developments of the new version were presented to a varied stakeholder group. The objectives of this workshop were to communicate and involve all interested parties in the development of the IFFO RS V2.0 and to get feedback regarding the relevance and practicalities of the new parts of the standard. The main points for discussion were about the mixed trawl fishery section proposed for the new version, but also the Good Manufacturing Practice (GMP) requirements together with the social aspects at the factory level that will be included. Another point for discussion was about the social issues regarding forced labour in Thailand and how the IFFO RS can cover that point. It was decided that a risk based assessment of all information available regarding the social aspect should be included in the fishery assessment. All the feedback obtained during this third workshop will be sent to the IFFO RS Technical Advisory Committee for consideration.

The panel featured:

- Andrew Jackson, IFFO RS, U.K.
- Ben Hadfield, Marine Harvest Scotland, U.K.
- Camiel Derichs, Marine Stewardship Council (MSC), The Netherlands
- Chad Gauger, Cargill Aqua Nutrition, Thailand
- Humberto Speziani, Tecnológica de Alimentos S.A. (TASA), Peru
- Jeremy Crawford, Thai Union Group PCL, Thailand
- Michael Copeland, Lucky Star Ltd., South Africa
- Michiel Fransen, Aquaculture Stewardship Council (ASC), The Netherlands
- Wendy Norden, Monterey Bay Aquarium, U.S.A.

Moderated by: Rachel Mutter, IntraFish Media



Key points include:

- Marine ingredients compare well against terrestrial feed ingredients with respect to certification;
- Certification is important for market entry but it affects the cost of production;
- IFFO RS has been successful in achieving 45% of the global fishmeal market, which was the low hanging fruit and there is still much to do;
- There needs to be more clarity on which certification schemes fit where in the market (e.g. IFFO RS, ASC and MSC);
- IFFO RS is seen to provide assurance within other schemes –the Russian doll approach;
- The biggest issue is social responsibility, IFFO RS is looking to address this with v.2.0 and discussing options for a risk-based approach within the fisheries assessment;
- Investment in (fisheries and aquaculture) improvement programmes seen as important tools to drive overall environmental (and social) improvements;
- Certification should not be regarded as an alternative to government regulation, it aids in support of standardisation of production systems across countries and regions
- Fishmeal in salmon feeds has been declining over time; with the increase in price it could have already been removed but hasn't been as it remains essential for fish health and quality; and
- The agenda on the importance, perception and acceptance of marine ingredients in aquafeeds and aquatic protein production needs to be influenced more positively so that the contributions to protein supply are more widely recognised.

Welcome Reception

In the evening, delegates enjoyed a cruise around the city on board the Wonderful Pearl, which was made possible thanks to our gold sponsor Intertek.

For more information about the IFFO Annual Conference visit www.iffoevents.com