Early Warning System

ADB-55020-001

Infrastructure Improvement for Shrimp Aquaculture Project

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Quick Facts

Countries	Indonesia
Specific Location	Bali, Banten, Central Java, East Java, Lampung, Aceh, and South Sulawesi
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	U
Voting Date	2022-12-14
Borrower	Ministry of Marine Affairs and Fisheries
Sectors	Agriculture and Forestry, Climate and Environment
Investment Type(s)	Loan
Investment Amount (USD)	$ 93.00 million

Project Description

According to the disclosure page, the project is intended to help the Ministry of Marine Affairs and Fisheries (MMAF) to introduce sustainable shrimp aquaculture to increase the productivity, quality, profitability, and environmental sustainability of shrimp farming by smallholders. The project will improve smallholder farmers' access to quality inputs, production, and post-harvest practices and traceability through infrastructure, capacity support, and value chain strengthening in selected locations (Across Bali, Banten, Central Java, East Java, Lampung, Nangro Aceh Darusalam, and South Sulawesi provinces). It is aligned with the following impact: contribution of the fisheries industries to the national economy increased. It will have the following outcome: productivity, profitability, and environment sustainability of shrimp aquaculture increased. Specifically, it will (i) increase quality and sustainability of inputs for shrimp production, (ii) develop sustainable and climate adaptive aquaculture infrastructure and services, and (iii) strengthen shrimp aquaculture supply chain.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

Indonesia is among the top five shrimp producers in the world, with a global market share of 8.7%. Its shrimp product exports to the European Union, Japan, and the United States totaled $2.04 billion equivalent in 2020._Indonesia is a leading exporter of frozen seawater shrimp but lags its peers in exports of fresh, salted, or smoked shrimp. The main farmed shrimp species is the whiteleg shrimp (Litopenaeus vannamei), which accounts for 80% of production. The whiteleg shrimp is cultivated by large companies and about 50% of the smallholders._The remaining 50% of the smallholders cultivate the tiger shrimp (Penaeus monodon) extensively._While the potential for Indonesia's shrimp aquaculture is high, the traditional mode of farming employed by smallholders constrains productivity, profitability, and environmental sustainability. Developed countries are increasingly monitoring the quality of shrimp imports for transparency and traceability, drug and chemical residues, and environmental damage._As awareness of food safety grows among consumers, Indonesian shrimp producers must improve traceability along the shrimp value chain and raise the standards of hygiene in shrimp processing. Only large shrimp producers, hatcheries, and feed suppliers currently comply with MMAF's framework for Indonesian Good Aquaculture Practices (INDOGAP). MMAF will need to expand the use of its sistem telusur dan logistik ikan nasional (national fish traceability and logistical system, STELINA) by farmers and other actors along the value chain if Indonesia is to maintain a strong position in international markets.

The proposed project will support four operational priorities of the ADB Strategy 2030._It is also aligned with ADB's Action Plan for Healthy Oceans and Sustainable Blue Economies, and its country partnership strategy 2020-2024 for Indonesia, (pathway 3: strengthening resilience). The Government of Indonesia's National Medium-Term Development Plan 2020-2024 promotes aquaculture and proposes to increase (i) the number of superior aquaculture production centers to 50 in 2024 from 10 in 2020, and (ii) the export value of fisheries to $8.0 billion in 2024 from $6.2 billion in 2020. The MMAF National Shrimp Farm Development Program 2020-2024 aims to increase shrimp production by 250% to 1.29 million tons by 2024 (from 527,397 tons in 2019).

IMPACT

Contribution of the fisheries industry to the national economy increased (National Medium-Term Development Plan, 2020-2024)

Investment Description

- Asian Development Bank (ADB)

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.adb.org/forms/request-information-form

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: https://www.adb.org/site/disclosure/appeals

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main.

Bank Documents

- Infrastructure Improvement for Shrimp Aquaculture Project: Bali, Banten, Central Java, East Java, La [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Draft Community Development Framework [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Draft Indigenous Peoples Planning Framewo [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Draft Initial Environmental Examination [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Environmental Assessment and Review Frame [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Gender Equality and Social Inclusion Acti [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Initial Poverty and Social Analysis [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Kedung Subdistrict, Jepara District, Cent [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Procurement Plan
- Infrastructure Improvement for Shrimp Aquaculture Project: Project Administration Manual [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Report and Recommendation of the Presiden [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Sinjai District, South Sulawesi Province [Original Source]
- Infrastructure Improvement for Shrimp Aquaculture Project: Sustainable Aquaculture Cluster in Specia [Original Source]
- Project Disclosure PDF [Original Source]