

PROJECT COMPLETION REPORT (PCR)
SECTION 1: PROJECT SUMMARY

Project Name	Preparing Belize Shrimp Growers Association for ASC Shrimp Certification to Improve its Competitiveness		
Project Number	BL-CC3005		
Compete Caribbean Component	Enterprise Innovation Challenge Fund: Clustering Initiatives		
General Objective	The general objective is to enhance the capacity of clusters and firms to increase productivity and sustainably compete in national, regional and global markets.		
Specific Objectives	The specific objective is to improve the capacity of the Belize Shrimp cluster to serve selected niche markets in the Caribbean region, North America and Europe.		
Project Team Leader	CELENE CLELAND-GOMEZ		
Beneficiary Country	Belize		
Counterpart Agency	Belize Shrimp Growers Association		
EXECUTION FUNDS EVENTS AND FINANCIAL DATA*			
Approval Date	September 26, 2013	CC Contribution (Original Approved Amount)	\$500,000.00
Signature Date (Start Date)	December 13, 2013	Original Counterpart Contribution	\$492,000.00
Original Execution Deadline	May 31, 2015	Counterpart Disbursements	\$1,006,122.91
Extended/Current Execution Deadline	December 31, 2015	CC Total Disbursements to Date	\$467,458.81
Original Disbursements Deadline	April 2016	CC Undisbursed Amount	\$17,038.50
Extended/Current Disbursements Deadline	April 2016	CC Committed Amount	\$484,497.31
Date of First Disbursement	February 26, 2014	CC Available Amount	\$15,502.69
Actual Last Disbursement Date	November 23, 2015	CC Cancelled Amount	0.00
		CC Current Approved Amount	\$500,000.00

SECTION 2: PROJECT PERFORMANCE

Specific
Objective

To improve the capacity of the Belize Shrimp cluster to serve selected niche markets in the Caribbean region, North America and Europe.

Expected Results	Unit of Measure	Baseline (2012)	Goal Value (2017)	Actual (2014) Pre-disease	Actual (2015)(EOP)	Details and reasons for variance (if any)
Impact - Note 2014 figures added to establish the context for results just prior to the outbreak of the disease which affected the industry in 2015						
Export						
Export Sales	US\$	22M	50M	44,2M	28,08M	<p>The Belize shrimp production declined 26% in 2015 compared with 2012 baseline data.</p> <p>Since April 2015 the shrimp sector has been affected by a vibrio disease causing unexpected mortalities in all farms.</p> <p>Nevertheless the total export value is higher than 2012 due the ASC certification allowing some farms enter into niche markets at premium prices.</p>
Contribution of Sales from Exports	%	90	98	98	98	To take advantage of the European market demanding responsible farmed shrimp, almost 98% of shrimp production was exported.
% exports to Niche Markets	% of total production	Mexico - 53%, CARICOM - 25%; Europe – 8% USA- 8%.	Mexico - 20%, CARICOM - 10%; Europe – 50% USA- 20%.	Mexico - 53%, CARICOM - 25%; Europe – 8% USA- 8%.	Mexico - 42%, CARICOM - 11%; Europe – 30% USA- 17%.	<p>Markets distribution in 2015 shows the increase on Europe and USA and a reduction of exports to Mexico and the Caribbean.</p> <p>It is a clear indicator of accomplishment of project objectives and a direct outcome of</p>
Additional revenues due to ASC Certification	US\$	0.00	2.7M	0	.5M	Due to Sainsburys and M&S contracts who purchased 1.1M lbs combined for 2015.

Employment – FTE Permanent	#FTE	530	550	700	302	Due to the disease affecting all farms, the work force was reduced by 46% in 2015. It will be increased in 2016 once the farms return to normal production.
Employment - Seasonal	#	600	900	750	412	Same as above
% women employed (including in senior	%	29	34	30	28	Same as above
Employee earnings	US\$/Year	3.2M	4.2M	6M	1.7M	Reported is total payroll costs/industry
Total production	Million pounds	12.8M	31.2M	22M	8.9M	Shrimp production in Belize suffered a reduction of 26% in 2015 compared to 2012 production. Since April 2015, a vibrio disease was the causal of atypical mortalities in all shrimp farms, forcing most of the farms close the production operations in order to implement biosecurity and sanitary measures and develop a country strategy to resume operations. 2014 performance provided for context.

Outcome 1. The Belize shrimp cluster will be able to attract niche markets concerned about social and environmental sustainability of shrimp production through ASC Certification

ASC Certification of 5 Farms ASC representing 85% of production	# farms certified	0.0	5.00	0	9.00	Original goal (September 2013) was to certify 5 farms under the ASC scheme. In January 2014; two farms joined the cluster (Tex Mar and Tropical) In June 2014 one farm (Bel Euro) joined the cluster for ASC certification. In August 2015 one additional production unit of Tex Mar Ltd. (Tex Mar Too) was audited and ASC certified. This cluster of 9 farms represents 90% of national shrimp production in Belize.
Long term supply agreements	# of agreements	0.00	3.0	0	2.00	After achieving ASC certification some farms (BAL, Royal Mayan, Aqua Mar, Bel Euro) are in close communication with international markets. (BAL) has acquired purchase agreements with two European markets; Marks & Spencer and Sainsburys. This is mostly because it has a dedicated marketing affiliate in the relevant European markets. An important development, and a direct result of CCP's clustering intervention is that the member with market access (BAL) has in turn negotiated purchase agreements from other members of the cluster to ensure consistency of supplies to negotiated markets.
Price premium offered/negotiated for certified farms	Premium over farm gate price % or \$/lb.	0.00	\$0.20/lb. and \$0.30/lb., or 10% - 15% of farm-gate price		\$0.41/lb over farm gate	

Reduced effluent discharge	kg N per Ton of shrimp	N 15.85 kg/ton shrimp	N 25.2 kg/ton shrimp		N 1.6 kg/ton shrimp	Farms in compliance as per ASC standard. Additionally the clusters engagement with the disease has spurred innovation in managing water quality and one farm is successfully using bio-control measures, reusing 100% of its water and reducing effluent discharge to 0.
	kg P per ton of Shrimp	P 6.38 kg/ton shrimp	P 3.9 kg/ton shrimp		P 1.0 kg/ton shrimp	
	% Dissolve Oxygen	DO 9.64%	DO 65%		DO 45%	

Outcome 2 - Improved capacity of the cluster to advocate on behalf of members

Cluster engaged in advocacy activities	Reports of advocacy activity	A certain level of advocacy is ongoing.	Enhanced advocacy with Government; Advocacy with donors; Aquaculture Bill; Strengthening support from BELTRAIDE; Relations with and services from BAHA and Ministry of Environment.	BSGA advocating with Government authorities named BAHA, DOE and BELTRAIDE for issues related to diseases and other industry related.	BSGA directors advocating with BAHA on the implementation of the strategic response to the disease including the importation of new genetic material and new bio-security measures. Advocacy with the DOE in the implementation of revised and updated Environmental Compliance Plans for all the farms. As a group negotiated through the Central Bank of Belize for interest caps on working capital from local banks to mitigate the impact of the outbreak on operations. Finally the industry sits at the negotiating table with BELTRAIDE on the Amendments to Economic Processing Zone legislation to make it WTO compliant.
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Outcome 3 - Increased market visibility for Belizean shrimp

Implementation of marketing campaign	# and type of joint marketing events	Limited individual sales and marketing activity by firms	Cluster based marketing - visits to and joint-activity with ASC - WWF at the Boston Seafood Show (March 2015) and Brussels Seafood Show (May 6 - 8, 2014); business prospecting visits to key selected buyers in North America and Europe.	Cluster members attended the Boston seafood show and Brussels seafood show in 2015	<p>The Belize Shrimp Growers Association now have a marketing and promotion plan and a Branding management plan.</p> <p>Two important tools to be implemented in order to position the Belize shrimp brand.</p> <p>The president of the Belize Shrimp Growers Association and the Cluster Facilitator attended the Boston seafood show.</p> <p>The Brussels sea food show was attended by representatives of seven cluster members and cluster facilitator.</p>
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Interest from new niche markets	# of contacts/enquiries from website/tradeshows	Principal markets are Mexico, (58%) Trinidad, Jamaica/CARICOM (25%). Limited exports to US and Europe (8% each).	Expand the customer base in Europe, particularly France, Spain, Holland and United Kingdom, and in North America (US and Canada).	Growers entering UK and France markets. New markets opportunities in USA and Europe	Interest from Belgium, Netherlands and German distributors as a direct result of ASC (email evidence). However, due to the temporary closure of the shrimp farms in Belize, by the end of the project only BAL converted contacts into contracts, selling shrimp to Marks and Spencer and Sainsburys in UK. It is important to record that the new markets have allowed the growers to move up the value chain from commodity producers to branded value added processed shrimp suppliers, since Sainsburys currently sells the Belize ASC certified shrimp as the only premium shrimp product available across its distribution network.
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SECTION 3: PROJECT CHALLENGES AND HOW THEY WERE DEALT WITH

Project Challenges	Actions taken to address them
<p>Project execution was completed with no major delays.</p> <p>A primary challenge was the identification of suitable consultants to help cluster members in preparation for the Aquaculture Stewardship Council certification process.</p>	<p>In collaboration with Compete Caribbean counterparts and the Belize Shrimp Growers Association, the cluster facilitator proposed suitable candidates found in country or overseas.</p> <p>In two cases, consultant agreements were canceled and replaced with more competent consultants.</p>

Industry was stricken with the Vibriosis bacteria which decimated production (in some cases 100% loss) and forced the closure of all the farms, except BAL whose advanced productions systems allowed the farm to better manage the impact of the disease. Most farms were closed from June to November of 2015. This was not anticipated or discussed in the risk analysis but should have been since disease is the largest risk to aquaculture industries.

As a result of the cluster initiative, the farmers were able to discuss, consolidate and implement an innovative and aggressive industry response to the threat. Mitigating actions included:

1. Draining the ponds at all the farms
2. Importation of new genetic (disease resistant) material
3. New, aggressive bio-security measures (BAHA)
4. Innovative bio-control strategies (Royal Mayan)

As a result the farmers expect to be up to full production by the end of the first quarter of 2016. Farmers indicate that it was the established cooperation and collaboration protocols employed and instituted as a result of the cluster initiative that allowed the response to be crafted and implemented at the industry level for a seamless response by Belize.

SECTION 4: EXTENT TO WHICH THE SPECIFIC OBJECTIVE HAS BEEN MET

The specific objective was to improve the capacity of the Belize Shrimp cluster to serve selected niche markets in the Caribbean region, North America and Europe.

The specific objective was fully met, at the end of project execution nine shrimp farms members of the Belize Shrimp Cluster received ASC certification. Although the conversion to supply agreements are slower than normal due to the recovery effort there is significant interest from international markets in Europe, North America and the Caribbean.

Internal capacities were built at each farm to ensure sustainability of the certification, key technical staff was trained in better management practices, the Belize Shrimp Growers Association was assisted with capacity building and strategic planning, international markets are aware of the responsible shrimp production in Belize and farm managers are working with the farm management to sustain the certification and remain competitive in international markets.

It is important to highlight that cluster members are now working as a unit. The Belize Shrimp Growers Association before the intervention of Compete Caribbean was primary dedicated to translation of policy and issues affecting the performance of the sector, with little interaction among members to discuss avenues to improve the production practices or the social and environmental impacts, or to advocate for a competitive and sustainable sector in Belize offering high quality products. Over the past 20 months, during the CCIP implementation, the shrimp growers are conducting regular meetings to discuss issues related to ASC compliance, CCIP implementation but most important to discuss issues affecting the sector and looking for solution in unity. The most recent problem affecting the industry, an atypical mortality affecting all farms, called for joint action to solve the problem. All cluster members recognize that due to the project they are more aware of the importance of working together to drive the industry forward.

SECTION 5: CONTRIBUTION TO COMPETE CARIBBEAN PROGRAM RESULTS

The objective of the Support to Clusters Window (SCI) is to enhance the competitiveness of the productive sector by supporting clusters and value chains to compete in regional and global markets.

The implementation of the project “Preparing Belize Shrimp Growers Association for ASC Shrimp Certification to improve its Competitiveness” contributed to Compete Caribbean’s objective of supporting cluster initiatives because the project improved the sustainability and competitiveness of nine shrimp farm representing 90% of

Belize's shrimp production, positioning them to compete in global shrimp markets particularly the niche markets in Europe and North America that demand responsibly produced shrimp. This provides the entire industry a first mover advantage in these markets since only 20% of the world's shrimp producers are expected to be able to meet the rigorous standards of the ASC. As a result of the requirements for certification, the farms operations are more robust and the cluster is more agile, innovative and competitive.

SECTION 6: RISK MANAGEMENT

Risks	Level	Status	Risk Score at Last Report	Risk Score	Explanation for Outstanding Risk
Reporting is not timely, informative, and objectively verifiable.	1	0	0	0	Plan of operations was developed with clear operational goals. Cluster Facilitator responsible for ensuring data capture and accuracy in reporting.
Financial resources of cluster are not sufficient to complete the project.	1	0	0	0	Financial request on cluster members is demanding but since ASC certification is a priority for them, the Cluster is extremely motivated and engaged. Cluster Facilitator on the ground to proactively address resourcing issues with the cluster. At the end of the project, cluster invested the necessary resources to ensure compliance with ASC standards and Comstock Guidelines.
Governance structures to embed the cluster not in place at the close of the project	1	0	0	0	Project provided for recommendations on the appropriate structure. The Belize Shrimp Growers Association supported the work of the cluster facilitator and is organized and robust enough to encourage continued collaboration and cooperation among the farms.
A majority of farms fail to meet certification standards.	1	0	0	0	The incentives are aligned across the cluster to drive and ensure certification. Cluster facilitator, BSGA and WWF on the ground to support farms. Eight participant farms certified since April 2015, one additional farm
Cluster does not subscribe to acceptable labor practices, wages and/or exploits neighboring communities	1	0	0	0	ASC certification requires practices that ensure against these outcomes. Cluster facilitator, BSGA to monitor and proactively address.
Cluster engages in practices which have a negative effect on the environment	1	0	0	0	ASC certification requires practices that ensure against these outcomes. Cluster facilitator, BSGA to monitor and proactively address.

Business climate undermines or disadvantage the export aspirations of the cluster	1	0	2	0	Cluster structure encourages farms, which are currently individually motivated to organize and collectively advocate and at the close of the project, although more work remains, the industry advocacy has never been stronger or the climate more welcoming. It is through the work and cooperation with the Ministry of Agriculture and BAHA that the cluster was able to enjoy a rapid recovery from the disease. They have a plan in place to continue to exploit these linkages through the BSGA mechanism and they agree that approaching the policymakers as in industry (as opposed to bilaterally) has improved the quality of and the results of their advocacy. Although the risk has not been completely mitigated, and as policies change, advocacy will continue; specifically as it relates to the Aquaculture Bill and the EPZ legislation as the farmers are directly engaged in the mechanisms to adjust and revise these bills. They are much more engaged and confident in their standing as an industry to influence the business climate agenda.
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Risk
Level:
High = 3
Medium
=2 Low=1

Status:
Cannot be mitigated by end of project
=3
Not likely to be mitigated by end of
project =2 Very likely to be mitigated by
end of project =1 Has been mitigated =0

Risk Score:
Acceptable =
0-2
Requires monitoring
=3 Cause for concern
= 4-9

SECTION 7: SUSTAINABILITY

Summarize Critical Issues That May Affect Sustainability

Sustainability Actions that Must take place after the project Ends	Responsible Person(s)
Continued compliance with ASC standards	Farm managers
Assist the Conformity Assessment Body with the annual surveillances audit.	Farm managers and BSGA Secretariat
Implement the marketing plan and the Belize shrimp Branding plan	BSGA Board of Directors with assistance of the BSGA Secretariat
Strengthen the Belize Shrimp Growers Association Secretariat with the needed staff	BSGA BoD

Probability of Project Sustainability After Project Completion	Justification for Sustainability Rating
High	<p>Belize Shrimp growers Association fully functional and working to solve collective issues that affect or may affect the Belize shrimp sector. This was most recently evidenced by the collective response to the disease outbreak.</p> <p>WWF will be accompanying the Belize shrimp growers to ensure sustainability of the ASC certification</p> <p>International markets demanding responsible shrimp certified under the ASC standard, thus the potential to sustainably increase revenue and margins.</p>

Probability for sustainability: High Medium Low

SECTION 8: LESSONS LEARNED

Technical	<p>No technical difficulties were faced during the execution of the operations plan.</p> <p>Due the different production system in the Belize shrimp sector, the level of technical capacities varies from farm to farm, nevertheless the project was able to engage the cluster members to share information and technologies to improve productivity and comply with the ASC standards.</p> <p>Some farms like BAL and Royal Mayan are staffed with experts in aquaculture production and diseases management, some medium to small farms do not have those capabilities. To ensure all cluster compliance with ASC standards, BAL and Royal Mayan facilitate the participation of their technical personnel to assist and build capacities in the other farms, or guiding the consultants to adapt the training programs and/or results analysis based on farm internal abilities.</p> <p>Innovative technologies are available in the industry, the Belize Shrimp Growers Association with the assistance of the cluster facilitator made possible the transfer of appropriate best practices among cluster members. Royal Mayan shrimp farms implemented innovative production systems to reduce the discharge of nutrients in effluents, Paradise shrimp farms implemented similar effluents management systems as per Royal Mayan specifications.</p> <p>Aqua Mar is implementing a shrimp feeding management program using state of the art technology, BAL is following that pattern with similar technologies based on the results reported by Aqua Mar.</p>
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Implementation and Operational	<p>Cluster facilitator, cluster members and consultants worked with no obstacles during project implementation.</p> <p>After two years of implementation, no major constraints were reported; the operations plan was implemented as planned.</p> <p>Open communication and cluster members association structure facilitate the successful implementation and achievement of ASC certification.</p> <p>Trust between Cluster members and cluster facilitator was a key factor for a smooth implementation of the plan of operations.</p> <p>The risk management failed to include the potential outbreak of diseases. For future projects for aquaculture it is important to consider the diseases topic as a risk to be manage as was the case in Belize Shrimp Cluster.</p> <p>The CCIP was implemented, objectives achieved but the outbreak of the vibrio disease made challenging the proper final assessment of KPIs.</p>
Execution and Financial	<p>The collective approach was essential during project execution.</p> <p>The operations plan was fully implemented with the allocated budget; farms' counterpart investments exceeded the committed amount, making more investments to ensure compliance with ASC standards.</p>

SECTION 9: MAIN FINDINGS

Main Findings From End of Project Evaluation (if completed)

Prepared by :

Approved by:

Approval

Date:

ANNEX I

UPDATED PROJECT BUDGET

	CC	Shrimp Cluster		Grand Total
	Cash	Cash	Kind	
	\$ 500,000.00	\$ 1006,122.91		\$ 1506,122.91
Hire a Cluster Facilitator to support implementation and coordinate activities of the cluster	\$ 100,000.00			\$ 100,000.00 *
Hire specialized technical assistance to conduct Impact & Remediation Needs assessments for all farms, as required under the ASC certification process.	\$ 99,090.00			\$ 99,090.00
Hire a Human Resource Specialist to develop standardized HR Management systems, procedures and protocols.	\$ 40,000.00			\$ 40,000.00
Hire an "internal data specialist" to document environmental management practices and protocols both to respect certification requirements and for disease related risks and coordinated response procedures	\$ 47,886.63	\$ 2,500.00		\$ 50,386.63
Infrastructure Investments to Reduce Nutrient Load of Collective Discharge into Placencia Lagoon		\$ 1003,622.91		\$ 1003,622.91
Hire legal counsel to review current legislation related to shrimp farming	\$ 11,804.00			\$ 11,804.00
Procure technical and legal expertise to support negotiation of letter of commitment regarding compliance with standards which support ASC certification.				\$ -
Hire GIS specialist to conduct location mapping of all involved farms	\$ 6,850.00			\$ 6,850.00
Secure competent and approved compliance auditor to carry out prescribed audit at each of the farms	\$ 50,050.00			\$ 50,050.00
Hire specialized technical assistance to conduct needs assessment and design a training program to improve the resident capacity at all levels across all farms.	\$ 15,000.00			\$ 15,000.00
Develop advocacy plan, procure materials and build relationships for effective advocacy	\$ 10,000.00			\$ 10,000.00
Secure technical assistance to develop a promotion and marketing plan to exploit the ASC certification tag	\$ 17,800.00			\$ 17,800.00

Secure specialized technical assistance to design and deliver a Belize Brand website	\$ 7,500.00		\$ 7,500.00
Implementation of Promotion and Marketing Plan	\$ 42,460.00		\$ 42,460.00
Delivery of Training Programs, year 1	\$ 34,056.68		\$ 34,056.68 **
Closing Event	\$ 2,000.00		\$ 2,000.00
Audit and evaluation	\$ 15,000.00		\$ 15,000.00 ***
Total invested	\$ 499,497.31	\$ 1006,122.91	\$ 1505,620.22
Remaining funds from approved amount	\$ 502.69		\$ 502.69 ****
Grand Total			\$ 1506,122.91

Pending disbursements as Nov 23rd, 2105

*	\$ 16,000.00	Pending WWF last payment
**	\$ 1,038.50	Tropical Aquaculture trip to Mexico
***	\$ 15,000.00	Pending - project closing activities/audit
****	\$ 502.69	balance