Farmers in Transition

Engaging in aquaculture improvement projects

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Sustainable Seafood Coalition
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Engaging in aquaculture improvement

1) IDH

2) Why the Farmers In Transition Fund / FIT Fund?

3) Objective FIT Fund

4) Why would you participate?

5) How to benefit and become engaged?
Mainstreaming sustainable trade for development impact

- Public private partnership facility
- Funded by Dutch, Swiss and Danish gov’t
- Impact on MDGs1, 7 and 8
- 18 commodity programs in 50 countries
- 300 companies
- 30 international NGOs
- 130 M euro public investment capital
Why the FIT Fund?

Lessons learned:

- Experiences with the role of sustainability certification for wild-caught seafood
- Experiences with Fisheries Improvement Projects
- Experiences with Coalitions like yours
- Starting experiences in aquaculture improvement projects, e.g. through IDH program and others

Confronted with ‘(business) reality’
Why the FIT Fund?

1) Seafood is not black/white
2) The real change is in bringing suppliers to a ‘higher’ level of performance
3) Demand is needed to catalyse change
4) You cannot achieve change alone
5) The challenge is too big to create ‘fragmentation’
6) ‘Impose’ requirements is not bringing lasting change
7) Continued and consistent messaging helps in shifting resistance to awareness and improvements of supply
8) Use supply chain leadership to nurture local ownership and leadership
9) Respect different cultures
10) Is there a business case and impact?
Why the FIT Fund?

<table>
<thead>
<tr>
<th>Region</th>
<th>Supply 2030 Million tonnes</th>
<th>Demand 2030 Million tonnes</th>
<th>Gap Million tonnes</th>
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</thead>
<tbody>
<tr>
<td>Africa</td>
<td>11,7</td>
<td>18,7</td>
<td>-7,0</td>
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<tr>
<td>Asia</td>
<td>156,5</td>
<td>186,3</td>
<td>-29,8</td>
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<tr>
<td>Europe</td>
<td>18,6</td>
<td>23,4</td>
<td>-4,8</td>
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<tr>
<td>South-America</td>
<td>16,2</td>
<td>18,3</td>
<td>-2,1</td>
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<tr>
<td>North-America</td>
<td>6,2</td>
<td>12,9</td>
<td>-6,6</td>
</tr>
<tr>
<td>Oceania</td>
<td>1,5</td>
<td>1,8</td>
<td>-0,3</td>
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<tr>
<td>World</td>
<td>210,7</td>
<td>261,2</td>
<td>-50,6</td>
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</tbody>
</table>

- 4% growth extrapolation
- 60% supply: aquaculture

Bron: FAO, estimation of FI department 2012
FIT Fund - prawns

- Secure your supply
- Supply chain transparency and traceability
- Meet your/ service targets for responsible sourcing
  - Build trust and reputation
  - Positive answer to pressure / media attention

- Farmers need to comply in order to close the deal
FIT Fund - prawns

Accelerate shrimp farmers transition towards more responsible farming practices respecting food safety requirements

115,000 tons farmed shrimp by 2015

Shrimp responsibly produced & sold
Farmers & employees & communities benefitting
Responsible feed
Ecosystem impacts (biodiversity, water)

• Public budget: 5.8 million €
• Total (incl. private sector): 10-15 million €
• Focus on farmed shrimp initially
FIT Fund - prawns

1) Impact-oriented Field Level Projects

2) Stepping stone model:
   • Enable leverage in demand, including domestic markets
   • Serve the diversified supply base

3) Quality M&E framework tracking progress

4) Inclusive approach overarching issues:
   • Responsible (Asian) feed and mangrove restoration
   • Engage national governments and domestic ownership

5) Learning and coordinating platform:
   • Sharing best practices and scalable models for farmer support
   • Understanding and strengthening the business case
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<tr>
<th>Denominator</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
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</thead>
<tbody>
<tr>
<td><strong>Explanation</strong></td>
<td>Not addressed</td>
<td>Legal Compliance</td>
<td>Improvement Encouraged</td>
<td>Risk Analysis/Best Practices Without Specific Outcomes</td>
<td>Risk Analysis/Best Practices With Specific Outcomes; No Verification</td>
<td>Partially addressing Performance-based Limits (PELs)</td>
<td>PEL caps level of impact or sets target goal</td>
<td>Issuefully addressed</td>
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<td>GlobalG.A.P., GAA-EAP</td>
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<td>ASC</td>
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<td>TAS, VietGAP</td>
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</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Indicates</th>
<th>TAS Exception</th>
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<tbody>
<tr>
<td><strong>Initiative Name</strong></td>
<td>Minor Requirement (GlobalG.A.P. =95% Compliance, TAS = 70% Compliance)</td>
<td>Minor Requirement OR Recommendation</td>
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<tr>
<td><strong>Initiative Name</strong></td>
<td>Recommendation (No standard) (GlobalG.A.P. = Voluntary, TAS = 60% Compliance)</td>
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<tr>
<td><strong>Initiative Name +</strong></td>
<td>Major Requirements with Minors mixed in</td>
<td>.</td>
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<tr>
<td><strong>Initiative Name +</strong></td>
<td>Major Requirements with Recommendations mixed in</td>
<td>.</td>
</tr>
</tbody>
</table>
Why would you participate?

Why?
• Increase volume of responsible supply
• Secure your company’s supply
• Answer to consumers demand
• Reputation: involved in ‘change’
• Communication opportunities
• Pre-competitive advantages
• Strengthen your NGO partnerships
How to become engaged?

Questions?

Species?

Sourcing targets:
Volume?
Buying req’ts/ sust?
Time-lines?

Who are my suppliers:
Back to the farm?
Dedicated ones?

Depth of involvement in improvements?

What is in it for me?

- Engage suppliers in improvement: clear request!
- Encourage them to benefit from FIT Fund
- Sign LoI with FIT Fund

- Partnership with suppliers (and NGOs) on FLP
- Develop application to FIT Fund
- Connect with FIT Fund
How to become engaged?

Questions?

Species?

Sourcing targets of clients:
Volume?
Buying req’ts/ sust?
Time-lines
Can you deliver?

Who are my suppliers:
Back to the farm?
Dedicated ones?

Depth of involvement in improvements?

What is in it for me?

- Engage suppliers in improvement
- Encourage them to benefit from FIT Fund
- Sign LoI with FIT Fund

- Partnership with suppliers on FLP
- Develop application to FIT Fund
- Connect with FIT Fund
How to become engaged?

**FLP Ecuador**
- 3 large scale farms
- Towards ASC
- 500 t demand
- 2000 t production

Budget:
- € 60.000,- public FIT
- € 110.000,- private
- € 170.000,-

E.g.:
- Gap-analysis + workplan
- B-EIA and P-SIA
- Health training

**FLP Vietnam**
- Group of small scale farmers: 1,800
- Towards GG
- 500 t demand
- 2500 t production

Budget:
- € 225.000,- public FIT
- € 225.000,- private
- € 450.000,-

E.g.:
- Gap-analysis + workplan
- BMP training
- Water quality training
- Health training
How to become engaged?

1) Decide on level of engagement
   LoI → Ask us for LoI
   FLP → Ask us for the Prospectus

2) Discuss leads for FLP proposals with us:
   – Objective FLP and ‘sustainability target’
   – Volumes and KPIs
   – Stakeholder consortium
   – Private sector co-financing

3) Contracting

4) Start disbursement & implementation
We look forward to your LoI or FLP application!

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Roy van Daatselaar