



Enhancing Market Access of Amazonian Aquaculture and Fisheries Products

(CFC/FSCFT/28)

**3rd Progress Report
March 2011 - January 2012**

15th February 2012

1 - Introduction

The activities achieved by project CFC/FSCFT/28 within the period March 2011 – January 2012 were in accordance to the 2nd and 3rd annual working plans. However, for some activities, unexpected delays were observed. Most of them were due to changes in the structures of the counterpart institutions as well as at the level of the beneficiary producers associations.

These modifications included:

- Changes at the Ministry of Fisheries in Brazil: 4 months after the new Brazilian government assumed, the Minister Ideli Salvatti was substituted by Minister Luis Sergio. The change of the minister also affected some second rank posts.
- Change of the president of the Family Fish Farming Federation of the State of Amazonas, which is the Brazilian beneficiary producers association.
- Changes at INCODER, in Colombia. For the 3rd time since the project proposal the official national authority for fisheries and aquaculture changed. At the beginning, it was INCODER, then it became ICA, then INCODER again and now it is AUNAP, which started 1st January 2012, and is under installation, with still no definition in regards to its policy in the Amazonian region.
- Changes in the structure of fish farmer association in Iquitos, Peru, where the fishfarmers association split into two: one association of paiches (*Arapaima*) producers and one association of gamitanas (*Colossoma*) producers. The first one is by far more dynamic and is giving a much better response to the project activities.
- Changes in the structure of the governmental counterpart, where the local branch of the Ministry of Production, PRODUCE, became DIREPRO, depending now from the government of the Province of Loreto and no more from the Ministry. At this occasion, the staff was also changed.
- Changes in the Government of Peru, with the election of President Ollanta Humala who assumed his post in July 2011. Of course the Ministry of Production was also affected, with the nomination of a new minister and new high level staff. In December 2011, the Minister changed again and this time also the General Director of Aquaculture, Dr. Jorge Zuzunaga, with whom INFOPESCA had build strong working ties for many years, had to leave his post.

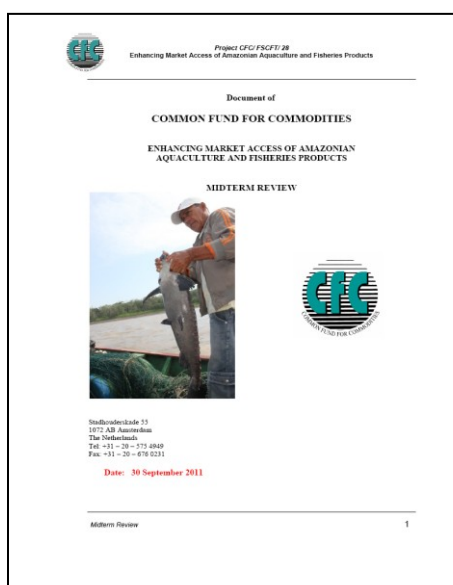


Building solid ties, with regard to the Project, with Peruvian Minister of Production Kurt Burneo Farfan in Iquitos, on 8th December 2011 – few days later the Minister changed...

As in the case of the changes already described in the 2nd Progress Report, none of them constitute a problem. But the sum of all the changes represents a huge amount of extra time invested in informing the newcomers about the project, involving them again and again, and bringing them to contribute as foreseen to the project. In the case of Peru, the changes in the beneficiary producers association as well as in the local government counterpart helped to unlock the problems regarding the installation of the ice plant.

2- The Mid-Term Review Mission

From 18th to 27th August 2011, the project was supervised by two technical auditors, directly hired by the CFC, who traveled to the project sites together with the project coordinator. They could appreciate locally all the project achievements and interview all stakeholders. A specific report, with conclusions and recommendations, was prepared and presented to the CFC. The PEA also received a copy.



The mid term review report



Crossing from Santa Rosa (Peru) to Leticia (Colombia)



Supervising the proper handling of fish, with ice, in Leticia



Visiting the floating processing facilities of the benefited producers association in Manaus



3 – Results attained so far

The present period (March 2011 - January 2012) covers part of the 2nd and of the 3rd annual plans. The activities achieved within this period cover components 2, 3 and 4 of the project. They bring us to the last straight line leading to the final dissemination seminar, to be held in Quito, Ecuador, on the 3rd September 2012.

2nd Annual Workplan: September 2010 – August 2011

Objective	quarter	main activities to be implemented	responsibilities	output
objective 1	1,2	Completion of the market surveys (Bogotá and Brasilia)	Project coordinator Marketing expert	All foreseen survey reports published
objective 2	1	Marketing workshops and preparation of marketing programmes	Project coordinator, Marketing expert participating wholesalers	3 marketing programmes prepared; 3 marketing workshops realized
objective 3	2,3,4	Supervision and support of producers marketing activities	Marketing expert governments extensionists	Report on activities
Objective 4	4	Workshops for the evaluation of marketing programmes	Project coordinator Marketing expert Government extensionists	Report on activities
objective 5	1,2,3	Installation of ice plants and processing units in Manaus and Iquitos	Project coordinator Quality expert Handling expert	2 installed demonstration workshops with ice plants
objective 6	2,3,4	Training of fishermen and fishfarmers in fish handling and quality control	Quality expert Handling expert Government extensionists	Training courses realized in the 3 project sites
objective 7	3,4	Supervision and support of production and air shipping activities	Quality expert Handling expert Marketing expert Governments extensionists	Report on activities
Objective 8	3,4	Dissemination activities: preparation of manual and seminar. Other dissemination activities according to opportunities	Project coordinator Quality expert Marketing expert	Manual first draft

3rd Annual Workplan: September 2011 – August 2012

Objectives	quarter	main activities to be implemented	responsibilities	output
outputs 3.1,3.2 and 3.3	1, 4	Workshops for the evaluation of marketing programmes	Project coordinator, Marketing expert	Report of activities
Outputs 4.1,4.2 and 4.3	1,2,3,4	Supervision and support of producers marketing activities	Marketing expert governments extensionists	Report of activities
Output 5.1.1	1	Installation of ice plant and processing unit in Iquitos	Project coordinator Marketing expert Government extensionists	installed demonstration workshops with ice plants
Output 6.1	1, 4	Training of fishermen and fishfarmers in fish handling and quality control	Quality expert Handling expert Government extensionists	Training courses realized in the 3 project sites
Output 7.1	1,2,3,4	Supervision and support activities in the handling and processing of fishes	Quality expert Handling expert Government extensionists	Report of activities
Output 8.1	3,4	Preparation of the dissemination manual	Project coordinator Quality expert Handling expert Marketing expert	Printed manual
Output 9.1	3,4	Preparation and realization of the dissemination seminar	Project coordinator Quality expert Handling expert Marketing expert	Report on the seminar

Component 1: regional market surveys

This component was already completely fulfilled at the beginning of the present period of report. The printed copies, stored in Peru (Market reports of Lima and of Iquitos), in Colombia (Market report of Bogotá) and of Brazil (Markets reports of Manaus, Brasília, Rio de Janeiro and São Paulo) were continuously distributed during the period, mainly at the opportunity of travels of the PEA experts.

Component 2: training of fishermen, fish farmers and wholesalers in the field of marketing of fish products

The strong effort put on the project activities in Peru included the re-discussion of the marketing strategy, centred on the production of paiche by the association of paiches producers. It was possible to interest at least one seafood wholesaler from Lima who engaged in buying in Lima paiche products to be sent from Iquitos.



Discussing the marketing programme in Peru: The PEA expert with the 4 members of the paiches producer association, a seafood wholesaler from Lima and representatives of PRODUCE and of DIREPRO.

The Lima market survey report, on the table, was a useful document to understand how the Lima's seafood market works.



Box of paiche filet designed by the association of paiche producers

In Leticia, INCODER's extensionist appointed to the project continued to prepare ASOPESCAM members to send their first parcels to wholesalers and retailers in Bogotá. Actually, ASOPESCAM is currently ready to begin the air shipments and this will be initiated very soon.



Mrs Adriana Hortua, the very efficient extensionist from INCODER, Colombia, well integrated with the fishermen from ASOPESCAM – Hopefully she will be transferred to AUNAP in order to continue her good work.

In Manaus, following the recommendations of the Mid-Term review mission, the marketing strategy was revised in order to concentrate efforts on the local market of Manaus, taking advantage of the information contained in the Manaus market survey report. In the first Marketing seminar in Manaus (see specific report) the strategy was divided in two branches, one focusing the market of Manaus and the other focusing markets in the main cities of the country (São Paulo, Rio de Janeiro, Brasília). Currently, efforts are concentrated on the first branch.

Component 3: training of fishermen, fish farmers and wholesalers in correct handling and processing of fishes

The last ice plant foreseen by the project, in Iquitos, Peru, has finally begun to be installed inside the town of Iquitos (and not on the road from Iquitos to Nauta, nor in the jungle). This solution was found in conjunction with the paiches producers association, DIREPRO and PRODUCE. The ice plant and the processing unit are installed in a building belonging to DIREPRO.



Above, the cement base for the ice plant, contiguous to the processing unit, currently under renovation, in Iquitos. The building belongs to DIREPRO (Government of the Province of Loreto).

Pictures taken in January 2012.



Above and on the left, the ice plant, working well in Manaus, Brazil

As for the ice plants in Leticia and in Manaus, they are both working well and supplying local producers as well as other local end-users.

A training course in fish handling was performed in Iquitos in December 2011 at the opportunity of an international seminar on reproduction and farming of Brycon fish.



Training in fish handling in Iquitos, Peru.

In Leticia, the training in fish handling and processing was assured by the extensionist of INCODER, by using the material and literature from the first training course and replicating it in several practical activities.

In Manaus, the training course in fish handling and processing was in parallel with the beginning of operation of the ice plant, and included the good use of the ice in cooling fish.

A new set of training courses in all three project sites is foreseen for the first quarter of 2012, after the completion of the installation of the ice plant in Iquitos. The participation of 2 Ecuadorian observers is planned for this occasion.

Component 4: wide dissemination of results

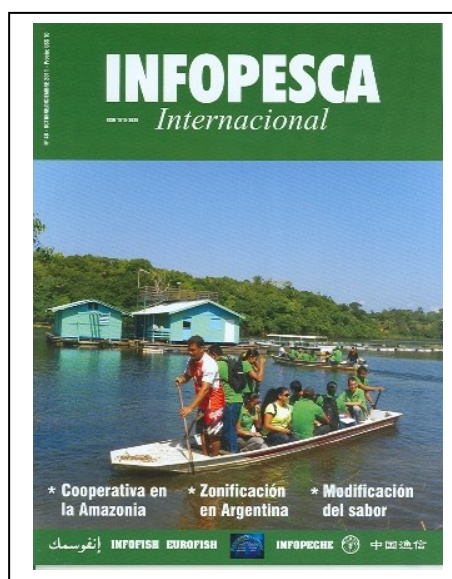
Several articles were published in the magazine INFOPESCA Internacional, widely distributed throughout Latin America and the Caribbean as well as in other parts of the world. In particular:

Issue nº 45 (January – March 2011) - reporting the mission in Colombia in January 2011, in the frame of the project (page 52).

Issue nº 46 (April – June 2011) – article “La piscicultura en la region trifronteriza Colombia – Perú – Brasil” by Ricardo González Alarcón. Page 35 to page 40. Also reporting the project progress (page 50).

Issue nº 47 (July – September 2011) – reporting the midterm review mission (page 49)

Issue nº 48 (October – December 2011) – article “Piscicultura comunitaria en el lago de Sant’Ana, Amazonia”, by Margareth Pereira. Page 16 to Page 18. Also reporting the mission in Iquitos, in December 2011. The project also deserved the cover page of this issue.



Furthermore, the PEA has begun in January 2012 to design the Dissemination Manual, divided in three parts:

- The activities achieved by the project, including some stakeholders stories
- The different markets and the marketing practices.
- The different Amazonian species, their handling and processing

This manual is foreseen to be ready and published already in August 2012, prior to the dissemination seminar.

Contacts are under development, especially with the Ecuadorian Director of Aquaculture, for the organization of the dissemination seminar in Quito.

4 - Conclusions

Despite the delays, the project is going on performing the activities of its 4 components. It is now in the last straight line before the final dissemination seminar. If some delays were observed in some cases (in particular the installation of the ice plant in Iquitos), additional and unexpected positive effects were also observed, as for instance the use of the project results by the important Brazilian research institution EMBRAPA-Pesca which has begun to work in 2009 and therefore was not included as counterpart at the time of the acceptance of the project proposal by the CFC.

Of course, the problems of the US Dollar devaluation combined with inflation in the benefited countries, already commented in the 2nd progress report, still affect activities as some of the increased costs (for instance building material) had to be partly assumed by the benefited producers associations, governmental institutions or other donors. The project budget is being managed with much sobriety in order to be able to carry out all the activities foreseen by the project and attain all the project objectives. The CFC compensation system (SDR), however, remained unchanged during the last two years and was nor readjusted to compensate the US dollar devaluation. .
