SESSION IV: ENHANCING SMALL-SCALE FISHERIES VALUE CHAINS IN THE MEDITERRANEAN AND BLACK SEA

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SMALL-SCALE FISHERIES KEY FACTORS (1)

- SSFs fleets in Middle Eastern and North African countries are weakly growing
- In EU SSFs fleet is decreasing (~23% last decade) and it has a marginal impact on the local economy
- Everywhere they are strongly anchored in local communities, reflecting historic links to adjacent fishery resources, traditions and values, and supporting social cohesion
- Low concentration of the landings and market and supply chain fragmentation
In EU the GVA per employed is 18% compared to average GDP per person, affecting a high level of part-time employment and lack of recruitment.

Mediterranean SSFs have a multispecies character (8-10 species) compared to northern EU SSFs (2-3).

Small-scale fisheries generally attain higher quality and sometimes higher prices than large-scale fisheries.

Knowledge and information are still limited, especially in non-EU countries.

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**SMALL-SCALE FISHERIES KEY FACTORS (2)**

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- Small-scale fisheries generally attain higher quality and sometimes higher prices than large-scale fisheries.
- Knowledge and information are still limited, especially in non-EU countries.

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**THE WELL BEING OF FISHING COMMUNITIES**

- Quality of life – well-being
- Economic dimension
- Socio-institutional dimension
- Community empowerment
- Production-
  - Quantity
  - Quality
  - Profits
  - Revenue
  - Costs
- Other activities
- Infrastructures - Services
- Education - Information

Diversification
Local development
Empowerment strategies

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**Techniques - Gears - Management - Ecology**

Production - Price
Adding value
Marketing

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**Production - Revenue**

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**Production - Costs**

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**Production - Quantity**

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**Production - Quality**

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**Production - Profits**

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**Production - Services**

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**Production - Information**

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INTEGRATED ACTIONS FOR COMMUNITY WELL-BEING: A MULTIDIMENSIONAL APPROACH

Functions of fisheries: tradable and non-tradable

- Food production: this function clearly concerns a tradable commodity but also entails non-trade aspects such as quality products and food security and safety.
- Environmental functions: small-scale fisheries are linked to positive externalities (or reduced negative externalities) on environmental issues.
- Coastal/maritime functions: small-scale fisheries allow the monitoring of the sea, preserve cultural traditions and synergy with activities of maritime and coastal economy.
- Social functions: it concerns impacts that help improving the local quality of life in coastal communities, including employment and reduced emigration rates.

A new model for fisheries in Mediterranean and Black Sea

New multifunctional fishing entrepreneur figure:

from good producer... to (also) service provider
** Tradable and Non-tradable Functions **

Contrats Bleus: compensation for adoption of more sustainable fishing practices; environmental protection

** Strategies for Fishermen **

Recognition of no-tradable outputs (externalities)
LABELLING STRATEGIES

Advantages:
- Identification of origin/producers of a fisheries,
- Links product/territory
- Simplifies the decision-making process upstream and downstream supply chain
- Reduces health and commercial risks for the consumer
- Ensures competitive advantages for the enterprise through the differentiation and recognition of the product

Disavantages
- Lengthy of procedures
- Not always response to market demand
- Sometime imposed top-down
- Possible regulatory restriction on origin statements
- High commitments requested to invest in quality standards related to strategic behaviour of fisheries operators
- High communication expenditures

BENCHMARK EXPERIENCES

Cornish sardine

Bar de ligne de la Pointe de Bretagne
**PRODUCT DIFFERENTIATION STRATEGIES**

- Value adding by internalization of the supply chain stage
- Elimination of certain disadvantages of the fresh products (smell, perishability, etc.) by processing
- Increasing access to new market
- Promotion of minor species to consumer knowledge
- Increased variety of supply and respect of seasonality of fresh products
- Recovery of food tradition and maintenance of culture of local coastal system

**BENCHMARK EXPERIENCES**

- Smaller and less valuable bernacles
- Crab flavouring for export
- Canard company
- Crab overpopulation
**Distribution Channel Strategies**

**Small Scale Fisheries**
- Limited volumes, Strong seasonality
- High quality
- Low environmental impact

**Channels out of ordinary market (Direct sales - Short channels)**

<table>
<thead>
<tr>
<th>Advantage</th>
<th>Disadvantage</th>
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<tr>
<td>• Direct contact with consumers and therefore control over information and knowledge of the market</td>
<td>• Investment in time</td>
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<tr>
<td>• Higher price</td>
<td>• Investment in equipment (transport, storage, quality issues)</td>
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<td>• Higher profit margins</td>
<td>• Health constraints</td>
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<td>• Better control over communication</td>
<td>• Need to offer a diversified, regular range</td>
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<td>• Variation in local regulations</td>
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<td>• Conflicts of interest possible with those down-stream in the chain</td>
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**Benchmark Experiences**

“Fish from the Cutter” project

Ristoranti “Pesce Azzurro”
**Supply Chain Organization**

- Performance of supply chain needs financial and non-financial (environment, social, technical, food safety) tools
- Performance of fishery supply chain is difficult to assess, it depends on some specific aspects: perishability, long distribution channel, seasonality, product standardization;
- Qualitative performance indicators such as consumer acceptance of the product needs to be taken in consideration;
- It complies with more strict regulations and laws regarding food production;
- It requires a technical and economic commitment by the actors at different stages
- For small-holders it could allow the emergence of opportunities from a silent demand-driven changes in high-value fisheries;
- It meets increasing consumer satisfaction.

**Horizontal and Vertical Coordination**

**Horizontal coordination:**
- Cooperatives
- POs
- Cofradías
- Prud’homies

**Benefits:**
- Volumes
- Stability of production
- Negotiation power
- Management on resources
- Scale and scope economy

**Vertical coordination:**
- Joint ventures
- Consortia
- Service agreements
- Contracts

**Benefits:**
- Quality improvement
- Control of upstream production practices
- Diminish transaction costs
- Added value for all partners
- Improve communication
- Improve stability of price/returns
CONCLUSION

In the Mediterranean and Black Sea, coastal areas appear very different but common recommendations could be found to enhance fishery supply chain:

1) Incentive the environment for coordination in the supply chain and market through the strengthening role of new model of professional organization for the ownership of role of fishermen and decision to be taken at local and national level.

2) Facilities tools and network could be envisaged to acquire information and share policies on multifunctionality, diversification and market cooperation to assist decision makers in the finalization of strategies at the country level.

3) Professional and academic training on sustainable socio-economic actions should be envisaged and targeted on the territorial potentialities.

4) Apply new strategies of marketing tools on labeling, differentiation and quality to meet consumer attitude and needs.