Small-scale fisheries in Emilia Romagna Region: structural, social and market issues

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First Regional Symposium on Sustainable Small-Scale Fisheries in the Mediterranean and Black Sea
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The geographic context
BACKGROUND: The weight of small-scale fisheries in Emilia Romagna

<table>
<thead>
<tr>
<th>SSF indicators</th>
<th>Per vessel (E.R.)</th>
<th>Total (E.R.)</th>
<th>Share of SSF in E.Romagna</th>
<th>Share of SSF in Italy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels</td>
<td></td>
<td>439</td>
<td>59%</td>
<td>67%</td>
</tr>
<tr>
<td>GT</td>
<td>2,4</td>
<td>1064</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Days at sea</td>
<td>80-120</td>
<td>35,513</td>
<td>55%</td>
<td>67%</td>
</tr>
<tr>
<td>Crew</td>
<td>1,2</td>
<td>525</td>
<td>40%</td>
<td>49%</td>
</tr>
<tr>
<td>Catches (t)</td>
<td>3,7</td>
<td>1,552</td>
<td>9%</td>
<td>17%</td>
</tr>
<tr>
<td>Revenue (000€)</td>
<td>25,3</td>
<td>10,500</td>
<td>20%</td>
<td>27%</td>
</tr>
</tbody>
</table>

Does geographic and economic characteristics of a region affect SSFs patterns?

OBJECTIVES and METHODOLOGY

- Objectives
  - Analysis of social and structural characteristics of small scale fishing enterprises
  - Analysis of production and supply chain strategies
  - Analysis of stakeholder perception on collective brands

- Methodology
  - Interviews to a sample of small scale fishermen
  - Interviews with supply chain actors (processors, wholesalers, auction market authorities, restaurateurs)
Social characteristics

Important differences between groups of fishermen have been found

Average crew per vessel 1,2
Average age 44
Enterprise age 12

Family links with fishing
No tradition - No fishermen family 52,6%
Family employed in other fishing activities 37,9%
Continuation of family-run business 10,5%

Motivations
“Sea passion” 73,7%
Income perspectives 15,8%
Family tradition 15,8%
Need – no other options 10,5%
Retirement 5,3%

Landing composition

<table>
<thead>
<tr>
<th>Species</th>
<th>Volume</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sea snail</td>
<td>44.9%</td>
<td>28,0%</td>
</tr>
<tr>
<td>Cuttlefish</td>
<td>23.9%</td>
<td>25,8%</td>
</tr>
<tr>
<td>Sole</td>
<td>9.9%</td>
<td>22,7%</td>
</tr>
<tr>
<td>Mantis shrimp</td>
<td>7.5%</td>
<td>9,1%</td>
</tr>
<tr>
<td>Other</td>
<td>13.7%</td>
<td>14,3%</td>
</tr>
</tbody>
</table>
Distribution channels

<table>
<thead>
<tr>
<th>Channel</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesalers</td>
<td>62,8%</td>
</tr>
<tr>
<td>Direct sale</td>
<td>24,1%</td>
</tr>
<tr>
<td>Auction market</td>
<td>11,9%</td>
</tr>
<tr>
<td>Retailers</td>
<td>1,2%</td>
</tr>
<tr>
<td>Processors</td>
<td>-</td>
</tr>
</tbody>
</table>

Orientation of Regional Public Authority

- Adding value to fish products through diversification and use of a quality brand.
- Promoting the application of EU directives on food safety
- Protecting the consumer guaranteeing food safety.
- Promoting synergies between supply chain stakeholders: fishermen, auction markets, wholesalers, processors, retailers, restaurateurs.

Co-regulated private/public collective brand
Characteristics of the brand

- Participation of all stakeholders involved in the supply chain, from production to retail
- Procedural guidelines (specification) allowing traceability and quality for every step of the supply chain
- Institutional guarantee of the Regional Public Authority

Perception of main quality attributes

<table>
<thead>
<tr>
<th></th>
<th>Main attributes</th>
<th>Secondary attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fishermen</td>
<td>• Safety/freshness</td>
<td>• Size</td>
</tr>
<tr>
<td></td>
<td>• Guarantee that procedural guidelines are respected</td>
<td>• Easiness of conservation</td>
</tr>
<tr>
<td></td>
<td>• Origin</td>
<td>• Nutritional value</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>• Safety</td>
<td>• Size</td>
</tr>
<tr>
<td></td>
<td>• Freshness</td>
<td>• Guarantee that procedural guidelines are respected</td>
</tr>
<tr>
<td></td>
<td>• Easiness of conservation</td>
<td>• Nutritional value</td>
</tr>
<tr>
<td>Retailers</td>
<td>• Taste</td>
<td>• Size</td>
</tr>
<tr>
<td></td>
<td>• Safety/freshness; origin</td>
<td>• Packaging</td>
</tr>
<tr>
<td></td>
<td>• Easiness of conservation</td>
<td>• Guarantee that procedural guidelines are respected</td>
</tr>
<tr>
<td></td>
<td>• Nutritional value</td>
<td>• Nutritional value</td>
</tr>
</tbody>
</table>
Fishermen opinion on collective brands

**EXPECTED COMMITMENTS**

- Implementing procedural guidelines imply investments to adapt equipments, productive processes, training of workers, controls, quality certification, etc...
- Management restraints for traceability and certification procedures.
- Limitations in strategic flexibility.

**EXPECTED BENEFITS**

- Facilitation of the relationships between actors along the supply chain: security of supply, guarantee of the quality, increased transparency, development of privileged vertical relations, etc....
- Brand as a tool for quality differentiation: competitive advantage, easing to access the market, higher prices, collective reputation

Brand adhesion is then the result of complex considerations including both short-run (e.g. immediate investments, easing of relationships with buyers) and long-run (e.g. limited flexibility, collective reputation) economic interests.

### Fishermen perception of commitments

(% gap from current state compared to commitment state)

- Separation of lots
- Continuous compliance monitoring
- Documents needed for the activity
- Clothing required
- Structural compliance
- Minimum fish size

- Packaging
  - Brand visibility in supply chain stages
  - Education/training of the crew
  - Documents needed for brand adhesion
  - Storage in adequate containers

- Max. time interval from catches to sale
- Waste storage
- Product selection
Main problems | Risks | INTERVENTION STRATEGY
--- | --- | ---
Uncertainty on behavior of upstream actors (doubts on product quality) | High effort of downstream actors for control and selection of products; high costs; low quality and final price | External monitoring system; Internal monitoring
Uncertainty on behavior of downstream actors | Disincentive to upstream investments | 
Free riding inside the supply chain stage | Reduced product quality in the long-run; disincentive to participation. | 
Poor perception of product differentiation by consumers | No premium-price Reduced value-added | Promotional activities Clear differentiation of brand characteristics
Heterogeneity of actors’ opinion on relevant characteristics and attributes to highlight | Possible deviation between brand requisites and actual market requirements | Detailed marketing strategy

Conclusions

- Several clusters of small-scale fishermen are recognized in Emilia Romagna region (differing by investments, time work, number of crew, target species, motivations).
- Profitability can be relatively high for most specialized enterprises (more than one person on board; few target species), but total revenue is limited by the low number of days at sea.
- High relevance of part-time job, probably linked to the touristic inclination of the region.
- Adding-value possibilities such as collective-brands are well known by fishermen.
- However, investments and commitments for a collective brand seem to be problematic for fishermen, such as trust in other actors involved.
Thank you for your attention

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