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

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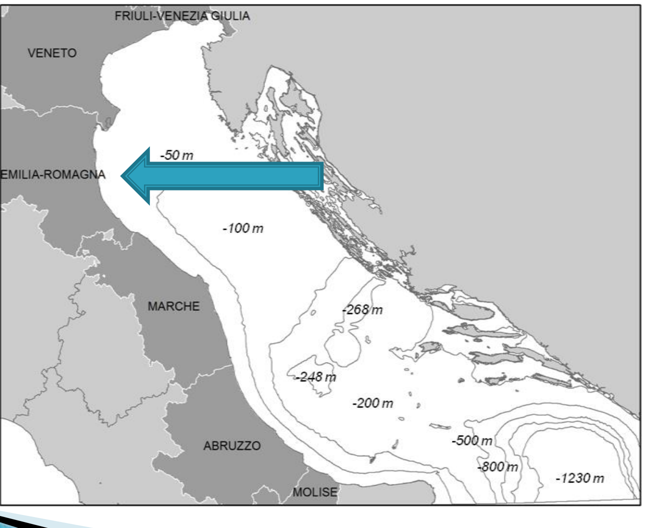
The geographic context



BACKGROUND: The weight of small-scale fisheries in Emilia Romagna

SSF indicators	Per vessel (E.R.)	Total (E.R.)	Share of SSF in E.Romagna	Share of SSF in Italy
Vessels		439	59%	67%
GT	2,4	1064	11%	10%
Days at sea	80-120	35.513	55%	67%
Crew	1,2	525	40%	49%
Catches (t)	3,7	1.552	9%	17%
Revenue (000€)	25,3	10.500	20%	27%

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

Species	Volume	Value
Sea snail	44.9%	28,0%
Cuttlefish	23.9%	25,8%
Sole	9.9%	22,7%
Mantis shrimp	7.5%	9,1%
Other	13.7%	14,3%

Distribution channels

Channel	Share
Wholesalers	62,8%
Direct sale	24,1%
Auction market	11,9%
Retailers	1,2%
Processors	-

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

	Main attributes	Secondary attributes
Fishermen	•Safety/freshness •Guarantee that procedural guidelines are respected •Origin	•Size •Easiness of conservation •Nutritional value
Wholesalers	•Safety •Freshness •Easiness of conservation	•Size •Guarantee that procedural guidelines are respected •Nutritional value
Retailers	•Taste •Safety/freshness; origin •Easiness of conservation •Nutritional value	•Size •Packaging •Guarantee that procedural guidelines are respected

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.**

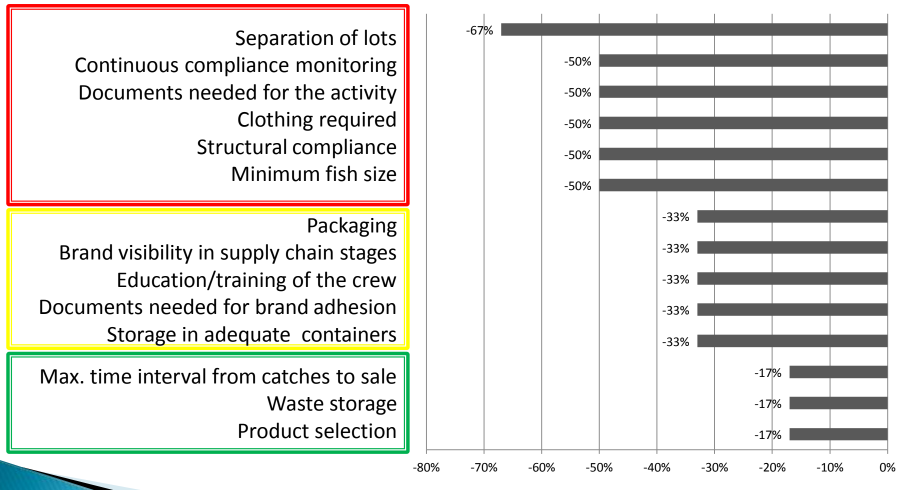
EXPECTED BENEFITS

- **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)



Main risks for brand success and intervention strategies

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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