



First Regional Symposium on Sustainable Small-Scale Fisheries in the Mediterranean and Black Sea

27–30 November 2013, St. Julian's, Malta

Background paper – Thematic session IV Enhancing small-scale fisheries value chains in the Mediterranean and Black Sea

EXECUTIVE SUMMARY

A value chain approach to small-scale fisheries

Marine fisheries are socially and economically crucial to the entire Mediterranean region, providing animal protein and supporting food security for over 452 million people. One third of this population lives in coastal areas and relies on fish resources from fishing and ancillary activities. Small-scale fisheries play a particularly important role as they represent more than 80 percent of the total vessel fleet and provide hundreds thousands jobs, especially on the southern shores of the Mediterranean.

Today, the sustainability of most fisheries is at risk as they now face serious challenges such as environmental degradation, overexploitation of targeted stocks and poor management of the shared resources. Moreover, there is a current lack of data and understanding on the real trends and socio-economic impact of small-scale fisheries. These fisheries are difficult to manage following the conventional top-down approach because of their physical scattering along the shores, which also makes it more difficult to have access to modern technology, capital, health care, markets, electricity, education, manpower, etc. The survival of small-scale fisheries depends therefore, to a large extent, on the recognition and protection of traditional or acquired fishing rights and on the protection and strengthening of their diversified family livelihoods characteristics.

Small-scale fisheries markets feature a complex network of relations among the different parties involved in the value chain, showing a non-integrated structure where the distribution sector generally holds the dominant position. The market both provides for and restricts livelihood opportunities for small-scale fishermen and market traders. The constraints to market access include a weak bargaining power and poor marketing strategies, monopolies among traders, poor product-holding infrastructures, difficulties to meet quality standards and the lack of market information. Fishermen often have little, if any, control over marketing outlets and price. New approaches are needed to increase fishermen's returns and to better sustain fisheries resources.

A value chain can be defined as the full range of activities to bring a product or service from its conception, through the different phases of production, processing, marketing, distribution, sale, consumption and disposal. A similar term “filière” is used to describe the flow of physical inputs and services in the production of a final product. All along the chain, the product gains value. The chain of activities as a whole gives the product more added value than the sum of independent activities.

Using a value chain approach to small-scale fisheries would: (i) help analyze the sector and identify key strategies and end-market opportunities to enhance the sustainability and competitiveness of the

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entire value chain, and (ii) provide an opportunity to find policy positions that can be supported by the sector's economic agents and stakeholders.

Such an approach could be supported by value chain analysis (VCA). VCA is a method for accounting and presenting the value that is created in a product as it is transformed from raw inputs to a final product consumed by end users. VCA seeks to characterize how chain activities are performed and to understand how value is created and shared among value chain's participants including main actors, supporters, and influencers. Performing a VCA entails addressing the following aspects: (1) entry point for value chain analysis; (2) data collection; (3) mapping value chains; (4) product segments and critical success factors in final markets; (5) analyzing how fishermen access final markets; (6) benchmarking production efficiency; (7) governance of value chains; (8) upgrading value chains and (9) distribution.

Within a VCA, the analysis of costs and earnings shows that the majority of benefits generated throughout the fisheries value chain are captured by retail, wholesale and secondary processing sectors. This trend appears both in developing and developed countries. It is now urgent to implement policies that safeguard the interests of small-scale fishers enabling them to access national, regional and/or international markets and to obtain prices and margins in order to achieve long-term sustainability. Small-scale fishers need to strengthen resource management and market development and to identify the markets where they benefit from a VCA approach.

Enhancing small-scale fisheries value chains

Despite policy efforts to preserve fish stocks and fishery industries, the number of fishermen and women who could make a living from their fishing activity only is likely to keep decreasing, due to biological constraints and competition from external markets. It is therefore important to guarantee the sustainable development of this sector by developing strategies to diversify the economies of small-scale fishermen and recognize the multifunctionality of fishing activity.

Strategies to increase the incomes of small-scale fishers include actions leading to higher production and lower costs through technological improvements and business management. In a marketing perspective, enhanced production and market access through individual or collective strategies (horizontal linkages among producers) such as cooperatives and fishermen's associations could be crucial, not only to concentrate supply but also to support the promotion of fishery products, quality systems and labeling. Likewise, vertical and inter-sectorial coordination could support fishers in the adaptation and promotion of fishery products.

In a local development perspective, alternative or integrated economic activities could increase revenues for small-scale fishers and their families. Mediterranean success stories of diversification and reconversion include for example fishing tourism and ititourism. Fishermen have developed touristic structures for accommodation and food provision in fisheries areas which typically have natural and cultural assets and offer activities that can appeal to tourists.

Small-scale fisheries could play a crucial role in providing linkages between all economic actors in marine and maritime activities. These fisheries are often the main source of employment for marginalized sectors of the population and have important (and often neglected) connections with other pre-harvest and post-harvest activities (building and repairing of boats and gear, port services, trade, wholesale, retail, processing and restaurants).

An enabling environment should be fostered in order to ensure a better coordination of supply chains and markets through strengthened regional organizations sustaining multilevel dialogue within and among countries and between EU and southern and eastern Mediterranean countries. This would help establish a model of professional organizations and reinforce the sense of ownership of fishers by

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involving them in local decision-making and enhancing dialogue among communities, institutions/administration and private stakeholders.

Small-scale fisheries may represent a key node to create added value for coastal areas and fishermen could draw many benefits from a broader diversification of strategies (e.g. post-harvet processing, direct sale, complementary activities, etc) and regional cooperation.

Finally, a better understanding of what is currently happening in the Mediterranean basin would be essential to elaborate efficient and coherent development policies based on multilevel governance and interregional coordination. Identifying needs and existing territorial potentialities in the region could drive policies for the implementation of education and scientific programmes, of strategies supporting the empowerment of fisheries coastal communities and of sustainable socio-economic actions targeted on territorial potentialities. The exchange of information and best practices, sharing of policies supporting multifunctionality, diversification and supply chain coordination would surely assist decision-makers in the finalization of such strategies at country level.