COMMITTEE ON FISHERIES

SUB-COMMITTEE ON FISH TRADE

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COFI SUB-COMMITTEE ON FISH TRADE AS INTERNATIONAL COMMODITY BODY AND ITS RELATIONSHIP WITH THE COMMON FUND FOR COMMODITIES (CFC)

SUMMARY

This paper describes progress in projects that are currently funded by the Common Fund for Commodities (CFC). The Sub-Committee’s approval is also sought in relation to two new project proposals that are being submitted for funding by the CFC. Members are requested to present further project ideas or profiles for consideration.
INTRODUCTION

1. The Sub-Committee on Fish Trade (COFI:FT) was designated as the International Commodity Body (ICB) for fishery products by the Common Fund for Commodities (CFC) in February 1991. In this capacity the COFI:FT submits fishery commodity projects for funding by the CFC. The Sub-Committee is also the Supervisory Body (SB) for CFC approved projects. The following sections describe progress in ongoing projects and new projects that are seeking the COFI:FT’s approval for submission for funding by the CFC.

ONGOING PROJECTS

2. The project “Consolidation and Expansion of Small-scale Fish Production for Export in Central America and Caribbean” started in early 2007 (PEA: INFOPESCA). The project aims at improving income and standards of living in the small-scale fishing communities in general and in rural fishing communities in particular. To achieve these objectives, the project includes market analysis activities and improvements in the distribution chain for fishery products from small-scale fisheries. During the last two years, the project carried out various training activities in the participating countries – Mexico, Honduras and Cuba and installed ice plants with the aim of improving the quality of the products and thus allowing a better shelf life and access to distant markets. The project was completed in early 2010.

3. The project “Improved Market Access for Organic/Aquaculture Products from Asia” was approved by the CFC in 2005 (PEA: INFOFISH) and started operation in late 2007. The project aims at developing standards and market access for products from organic aquaculture in three countries (Thailand, Malaysia and Myanmar). Shrimp and tilapia were the main species. An ongoing activity is the market analysis for organic aquaculture products and buyer-seller matching through the participation in international trade fairs and promotion in domestic markets. The project has determined that there are important domestic markets for organic fishery products in South East Asia, often offering higher prices than export markets. The project is scheduled for completion in March 2010. This project has been elected as one of three success stories to be included in the CFC 20 year anniversary publication.

4. The project “Diversification and Marketing of Value-Added Fishery Products in Guinea and Mauritania” was approved by the CFC in 2005 (PEA: INFOPECHE). The project aims at organizing pilot production of value-added fishery products relying on transfer of appropriate processing technology and know-how and to develop new market opportunities. The longer-term investment needs for expansion of fish processing in the region is also assessed. Project implementation was impacted by several problems encountered in both countries. In addition, Guinea was banned from exporting to the EU, which changed the focus of this project. The project was launched in 2007, but delivery has been slow.

5. The project “Assistance to small-scale fisheries in Mozambique and Angola”. (PEA: INFOSA) was approved in 2006 and launched in 2007. The project aims at improving the performance of small-scale fisheries in Mozambique and Angola with respect to fish trade. In addition, it will facilitate access to global markets, with positive effects on intra-regional trade and offer a better range of products. Project implementation is proceeding well, involving all stakeholders.

6. The project “Technical Assistance for the Upgrading of the Small-scale Fisheries and their Integration in the International Trade” is assisting the small-scale fisheries industry in Djibouti, Morocco and Yemen (PEA: INFOSAMAK). The project’s main objectives are: upgrading of the small-scale fisheries; reinforcement of quality control; strengthening the fish inspection services, training of fisheries professionals on new techniques of storage, processing,
marketing and distribution of fish and fishery products; improvement of the domestic fish marketing, access to export markets. The project was approved in late 2007 and was launched in June 2008. In the course of 2009, training in hygiene, safety at sea and preservation of marine resources was carried out in all participating countries.

7. The project “Enhancing Amazonian Seafood Products on the World Market” was approved by CFC in 2008 and launched in September 2009 (PEA: INFOPESCA). The project aims to develop processing, quality assurance, trade and marketing aspects of Amazonian fisheries products. Freshwater species from the Amazon region are not featured in the international market, but could have a significant potential in world supply and trade. The project will promote regional and international markets for species with white flesh, few bones and offering good filleting possibilities, and those species for which fish farming technology already exists.

PROJECT PROPOSALS

8. Two new full fledged project proposals and two fast track project proposals were received for the approval of this Sub-Committee meeting. Annex I give short profiles for the full fledged proposals, in order to give the Sub-Committee the possibility to fully evaluate the substance of the project ideas. In addition, the complete project proposals are available upon request. Annex II describes the two new fast track projects.

SUGGESTED ACTION BY THE SUB-COMMITTEE

9. The Sub-Committee is requested to comment on the CFC projects and to consider the project proposals described in Annex I and II for approval. The Sub-Committee is invited to suggest additional avenues to be followed in the identification of possible co-financing sources. The Sub-Committee is invited to present further project ideas or profiles for consideration.
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FULL FLEDGED PROJECT PROPOSALS

DETAILED PROJECT PROPOSAL I:
REDUCTION OF POST HARVEST LOSSES AND MARKET
DIVERSIFICATION FOR FISH AND FISH PRODUCTS FROM LAKE
MALAWI/NYASSA

PEA: INFOSA

BACKGROUND AND JUSTIFICATION

1. The fisheries sector plays a significant role in the livelihoods, nutrition and food security in Malawi, Mozambique and Tanzania. It contributes to the national economies as a source of employment, income and fish food within a population already vulnerable to poverty, and infectious diseases, namely HIV/AIDS. Lake Malawi contributes to more than 52 percent of the livelihoods of the lakeshore communities. For instance, in Malawi it accounts for 50 percent of total national landings representing 70 percent of dietary animal protein intake and 40 percent of total protein particularly in rural areas.

2. Overfishing and increased economic activity are depleting the fish stock in Lake Malawi, Africa's third largest lake. Between 1988 and 1992, the commercial fish catch fell by over 20 percent. This had major economic and environmental consequences for the future of Malawi and other riparian countries.

3. The FAO regional post harvest loss assessment programme noted the existence of considerable post-harvest losses around Lake Malawi. These are mainly due to inadequate handling practices, gaps in technological processes and lack of access to market information.

4. Increased liberalization and globalization of trade requires importers, exporters and other stakeholders to be informed and advised on price developments, trends and the evolution of world fish production including aquaculture, processing and trade. More rigorous quality requirements, labelling regulations and consumer safeguards require the industry and producers to be regularly informed and updated on the new requirements to ensure their access to global and regional markets.

OBJECTIVE

5. The objectives include:

- Develop and promote tools and strategies for capacity building to reduce post harvest losses and ensure resource preservation;
- Capacity building and promotion of best practices in fish utilization, including direct assistance in value addition to the post harvest sector that is being supplied by the small-scale fishers; and
- Disseminate market/price information and build capacity on their use in Southern African Development Community (SADC) member states.
ACTIVITIES

6. Training of decentralized officers of the fisheries department and resource persons from Malawi College of Fisheries in loss assessment methodologies, including:

- Reviewing the curriculum of Malawi College of Fisheries and if needed, similar institutions in Tanzania (i.e. Nyagezi Freshwater Fisheries Institute) and Mozambique (Instituto de Desenvolvimento de Pesca de Pequena Escala (IDPPE) and Escola de Pesca) to incorporate post-harvest loss assessment and management framework;
- Systematic loss assessment analysis;
- Market information collection, analysis and dissemination to various stakeholders;
- Strengthening the organizational development for an effective framework of assistance, improved performance of the fishing communities (cutting down on costs, increasing lobbying/bargaining power, promoting environmentally awareness and taking measures to control fishing effort);
- Capacity building to reduce post harvest losses, use market information and develop marketing strategies/trade opportunities;
- Direct assistance to industry through pilot value-added product development and promotion; and
- Identify issues and develop appropriate strategies with regards to institutional strengthening.

BUDGET AND TIME FRAME

7. The total budget is US$ 2 283 965, of which US$ 1 798 055 as CFC Grant. The time frame of implementation is three years.

DETAILED PROJECT PROPOSAL II:
IMPROVING ACCESS TO MARKETS FOR LATIN AMERICAN MARINE FARmed SEAFOOD
PEA: INFOPESCA

BACKGROUND AND JUSTIFICATION

1. Demand for seafood is continuously increasing worldwide, driven by population growth and by growing per capita consumption. For many years, it has been recognized that the only way to increase seafood production will be by developing aquaculture. Beside freshwater aquaculture, marine aquaculture is expanding worldwide and represents already 40 percent of the total aquaculture production volume.

2. Latin American participation in world aquaculture production is still low but the increase in regional demand for seafood together with good natural resources will lead marine aquaculture to grow. However, the development of production techniques is not enough: the supply chain needs to be improved and value added to the products. Better marketing efforts must be implemented in order to meet the market’s needs. This proposal was developed on a participatory bottom-up approach based on input from the beneficiary small-scale producers in Argentina, Brazil and Colombia and the fisheries and aquaculture government authorities in these three countries.

3. In Argentina, the project will focus on mussel producers in the Beagle channel; in Brazil on scallop producers in the area around Angra dos Reis and in Colombia on oyster producers in
the states of Córdoba and Bolivar. Additionally, in Brazil and in Colombia, aquaculture authorities also support the marketing of cobia by small scale marine fish farmers.

4. The project strategy is to complement these governments’ and producers’ efforts by helping the development of value addition and marketing of the mentioned species and by disseminating the project results in the Latin American region.

**OBJECTIVE**

5. Improve market access of artisanal fish farmers in participating countries, in order to guarantee better return for their production. The project will help the participating producers’ associations and governments to:

- Have a clear vision of their markets and marketing possibilities;
- Acquire the basic skills for processing and adding value to their products, according to market needs; and
- Implement effective marketing of their products.

**ACTIVITIES**

6. The project has four main activities:

1. Market survey for marine farmed seafood focusing mainly on bivalves (mussels, scallops and oysters) and cobia;
2. Support to local producers in processing and adding value to their products according to market preferences, through the installation of demonstrative processing workshops and with training courses;
3. Support to local producers in organizing their marketing strategies, through training courses and operational support of marketing activities; and
4. Wide regional dissemination of the results achieved by the project in these three locations.

**BUDGET AND TIME FRAME**

7. The total budget is US$ 3 200 000, of which US$ 1 880 000 as CFC Grant. The time frame of implementation is three years.
ANNEX II

FAST TRACK PROJECTS

IMPROVEMENT OF FISH PROCESSING AND MARKETING BY WOMEN FROM FISHING COMMUNITIES IN ARGENTINA, BRAZIL, COLOMBIA, ECUADOR, GUATEMALA, HONDURAS, MEXICO, NICARAGUA AND PERU

PEA: CETMAR

1. The role of women in the fish trading and marketing sector is often overlooked, especially in Latin America. Generally, the products processed by women are on the lowest level of sophistication. Access to value added markets are generally challenging for female fish processors and fish traders. Simple product development and market information could improve women's livelihoods.

2. The project will evaluate the present status of women working in the fish processing and marketing sector, their needs and means for capacity building and employment diversification.
   - Surveys will be carried out in each of the participating countries, giving ideas on the needs for improvements, and identify communities where pilot activities such as training courses in handling, processing and marketing could be carried out;
   - A regional seminar will be organized to discuss the main findings, the main recommendation for corrective actions if needed; and
   - An expert team will formulate, based on the findings of the surveys and the regional seminar a full-fledged project document for CFC approval.

3. Total amount requested: US$116 000

PROMOTION OF QUALITY, HEALTH AND SAFETY SYSTEMS FOR THE TRADE OF ARTISANAL FISHERY PRODUCTS (COSTA RICA, MEXICO AND PERU)

PEA: OLDEPESCA

1. Globalization and the increase of demand for fish and fish products has created opportunities for small scale fish producers. It has also created challenges in relation to the quality, health and safety requirements that are being set by the market. Artisanal and small scale fishers in developing countries are concerned that these requirements will limit their access to markets, creating economic loss and negative social impacts.

2. This project will identify the needs and conditions of small scale fishers in selected Latin America countries with regard to the marketing of their products, and the application of quality and safety standards at all levels of the value chain.

3. The project will organize a regional seminar with the participation of artisanal fishermen, fishers’ associations and relevant government representatives, to define strategies at the regional and local level. The seminar will also familiarize participants with basic concepts related to the marketing of fisheries products. The fast track project will pave the way for a larger project, which would provide technical assistance to small-scale fishers through training in HACCP systems and traceability. This will ensure that artisanal fisheries’ products meet existing safety and quality requirements and will improve the sector’s competitiveness in the regional and international trade.
4. The project will:
   • Carry out a study, which will identify the principal problems for the implementation of the safety and quality requirements for small-scale fisheries products;
   • Carry out a regional seminar on this aspect; and
   • Promote information and experience interchange at regional level.

5. Total amount requested: US$ 120 000.