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EFFECTS OF THE COVID19 PANDEMIC ON THE FISHERIES AND AQUACULTURE SECTOR IN THE REGION AND RESPONSES FOR RECOVERY

Introduction

The emergence of the COVID-19 disease in December 2019 and its rapid global spread has prompted a public health crisis that led the World Health Organization to declare a pandemic state in the first quarter of 2020, recommending States to take various restrictive mobility and lockdown measures to prevent the spread of the disease. These measures have had a variety of effects on food systems in general and on fisheries and aquaculture in particular.

Official reports of production volumes by fisheries and aquaculture for the years 2020 and 2021 in Latin American and Caribbean countries are not yet known in detail; however, a contraction in production, following the global trend, is expected as an indirect result of the pandemic. Supply chain activities (access to productive inputs, production, processing, distribution and marketing) have been significantly disrupted as a result of measures taken to reduce the spread of the COVID-19 virus, affecting territorial economies, livelihoods and food security, especially in vulnerable areas without social protection.

The nature and magnitude of the impacts on the fisheries and aquaculture sub-sectors have varied depending on the scale and value of production, the market, and the individual producer's financial capacity or access to government support.

Cross-cutting impacts

During the first half of the pandemic in 2020 and as a consequence of lockdown measures imposed by governments, the contraction in household incomes and the social perception of risk in seafood consumption resulted in a drastic reduction in the demand for fishery and aquaculture products ranging between 40% and 75% in all countries of the region.



Global seafood exports came to a virtual halt in the second quarter of 2020 and then, after a gradual resumption in the middle of the year, the impact of the detection of CoVid19 in China in fish packaging from LA countries again shut down imports until it was scientifically proven that fish is not a vector of contagion, thereby reopening global trade.

The supply chain was severely affected by restrictions on mobility within countries. This was most severe in those countries that belatedly included fisheries and aquaculture as core activities. Thus, transport of fuels, access to ice, feed for aquaculture and packaging for fishery and aquaculture products were interrupted or intermittent, what made it impossible in some cases to operate, or the need for early harvesting (in the case of aquaculture) to avoid losses.

The social perception of fishery and aquaculture products' safety has changed to one of risky products, which has led to a drop in demand for fresh products and preference for canned and processed products.

The middle trade chain was directly affected by a fall in demand, as production agents reacted with direct distribution and marketing of fresh and semi-processed products to the contraction.

Costs for transport services (land, river and air) have increased, as well as shipping times due to customs and health inspections, while the large-scale cancellation of flights has directly affected the trade of some premium fresh products that are transported by air.

Monitoring of fishery resources has been affected by the total suspension of research and monitoring operations as well as interruptions of substantive processes to provide inputs for fisheries management in most of the countries of the region. In some cases, given the emergency and families' need to fish for food and basic income, management measures have been made more flexible.

Monitoring of fisheries and aquaculture regulatory compliance has been temporarily interrupted. In addition to a potentially increased of illegal fishing, there has been an increase in thefts from aquaculture farms, especially from floating cages.¹

On the one hand, aquatic ecosystems have had an intangible respite from overfishing pressures, but on the other hand, they are receiving a huge burden of clinical waste, which production and sales increased 200 times in 2020 compared to the previous year, and 70 percent of which could end up in the oceans.²

Impacts on industrial fisheries

The high-seas fisheries industry has been particularly affected by travel restrictions that have prevented hundreds of crews from reaching their port of departure to commence fishing operations. Restrictions on landings at ports and transit through national territories prevented crew changes and repatriations, as well as provisioning, becoming a human rights crisis, especially for migrant and seasonal workers. This situation has gradually eased.

Supplies and equipment for the operation of vessels, such as fuel, fishing gear and bait, have been restricted due to the closure of suppliers or failure to provide credit. Similarly, the temporary closure of

¹How COVID-19 is affecting food systems related to fisheries and aquaculture. Rome. Available at: <http://www.fao.org/3/ca8637es/CA8637ES.pdf>

²UN News. El uso exagerado de plásticos durante la pandemia afecta a los más vulnerables. Available at: <https://news.un.org/es/story/2021/03/1490302>



fishing boat repair and cold chain maintenance workshops has been an obstacle to the regular operation of the fishing industry. Although the reopening of these services has gradually been resumed in all countries, the situation caused many days with no fishing activities.

In some cases, catch quotas have not been used up due to low demand and lack of storage facilities for perishable products. Fleets relying on export markets are likely to be more affected than those serving domestic markets. A sample of five countries reflects these changes in the value (FOB) of their fisheries exports (Argentina -9.4%; Brazil -12%; Chile -7.4; Peru -40%). El Salvador was the only country to show an increase in exports, mainly to Spain in April 2020 (beginning of restrictive measures).³

On the other hand, the reduction of fishing fleet operations could suggest at least an initial recovery of some overfished stocks. However, most studies suggest that, in most cases, as these are long-lived species, it takes up to 10 years of reduced fishing before depleted stocks can recover, so that in the absence of management reforms and unrestricted enforcement measures to sustain a reduction in pressure on the resource, this is unlikely to happen. What may be feasible to change is the redistribution of some species, which requires thorough scientific monitoring to provide further support for post-pandemic management.

Impacts on artisanal fisheries

Artisanal fisheries in LAC are characterized by a high level of informality (fishers who are not registered and do not have fishing license), low levels of associativity, high heterogeneity in methods and target species, and high levels of geographical spread, which complicates proper management and governance of the activity in many micro-regions. At the same time, informality has also limited the possibilities of including fishers in the social assistance and protection programmes set up by governments to deal with the effects of the pandemic, which has prevented, in some cases, family access to emergency food supplies and health services. Moreover, the vaccination process has been slow to reach rural areas and small fishing communities or have not yet reached these territories, which increases the vulnerability of fisher families and other workers of the value chain located in these areas.

From an operational perspective, the temporary closure of ice factories, spare parts shops and engine repair shops was an additional barrier that affected the frequency of fishing trips, specifically in the first half of 2020.

While demand for fish products has declined in general, coastal communities where fishing is almost exclusively associated with tourism have been particularly affected by the sharp decline in this sector, reflected in the suspension of hospitality operations and restaurants and logistic constraints in the trade of fresh products. Recreational/sport fishing in inland coastal areas has also been affected by the same restrictions.

The socio-economic impact of artisanal fisheries and small-scale aquaculture in the region can be considerable, as it is the livelihood of 1.8 million families in Latin America;⁴ hence, a decrease in household

³FAO and ECLAC. 2020. Food systems and COVID-19 in Latin America and the Caribbean N° 15: Towards inclusive, responsible and sustainable fisheries and aquaculture. Santiago, FAO. <https://doi.org/10.4060/cb1197es>

⁴ECLAC/FAO, 2020. Food systems and COVID-19 in Latin America and the Caribbean N° 15: Towards inclusive, responsible and sustainable fisheries and aquaculture. Available at: <http://www.fao.org/americas/publicaciones-audio-video/covid19-y-sistemas-alimentarios/boletines/es/>

income hits the local economy. Despite the impact on income due to the effects of the economic shutdown in the early stages of the pandemic, families had access to quality protein from fishing. Gradually, all countries have reopened essential economic activities, including fishing, which tends to stabilize the economy of the sector.

Impact on aquaculture

Market disruptions, particularly in the early months of the pandemic, led to a disruption of production flow, with higher retention of organisms in farming systems (ponds, tanks, cages) and the subsequent increase in food, labour and energy costs, as well as the risk of disease due to overcrowding.

The extended production cycle also affected the planning and number of annual harvests, reducing the profitability of the activity, which in many cases led to a cutback in the workforce.

On the other hand, pandemic containment measures, particularly transport restrictions, affected the supply chain, causing an interruption in the supply of seed, balanced and live feed, and other inputs, which forced the suspension of operations once inventories were used up.

The verticalized aquaculture industry, with processing and preservation facilities, was also affected by inventory build-up, with additional energy costs to keep their products in cold storage.

Farmed shrimp and salmon, the main export products in LAC, have sought new markets because of the reduced demand from China, which has caused a price decline. In the case of tilapia, there have been no contractions in demand and consequently in prices in international markets, probably due to its relatively low price.

Impacts on post-harvest and marketing activities

Processing activities of fisheries and aquaculture products have also been temporarily or, in some cases, permanently interrupted due to the low demand for seafood. In many cases, increased storage capacity has been required to cope with the inflow of raw material and finished products.

In addition to the disruptions caused by the drop in demand, post-harvest activities have been affected by the need of companies to include protocols and physical prevention measures for which the infrastructure and organization were not prepared; these include physical distancing, additional sanitation spaces and limited capacity. On the other hand, workers' health was affected, particularly in some locations with high levels of contagion, which forced the temporary closure of operations.

The suspension of activities in cold chain maintenance and spare parts supply companies also had an impact on the operation of processing plants and cold storage areas for fish products, including bonded warehouses at ports and airports.

Consumer habits were also modified by the reduction in family income and the social perception that safety controls were relaxed. This led to a significant increase in the consumption of processed and canned products.



Some responses to the effects of COVID-19

Government responses to mitigate the effects of the pandemic on the economy and the incomes of fishers and fish farmers in countries of the region have been diverse, mostly focused on short-term actions, including:

- A first step has been the incorporation of fisheries, aquaculture and related services into the list of essential activities, thereby resolving transport restrictions and reactivating the supply chain and marketing. By 2021, all countries in the region have adopted this measure.
- Several countries established specific action plans to address the fisheries and aquaculture sector, either to provide direct economic support to the sector, such as Chile's BonoAlivio MYPES;⁵ or with specific health protocols such as those established by SANIPES in Peru⁶ or with comprehensive action plans for the sector, as in the case of INCOPECA's Action Plan in Costa Rica.⁷
- Many other countries established some specific measures for the sector; such as the early release of funds from sector programmes like BienPesca in Mexico⁸ or the activation of emergency insurance, like Seguro Defeso in Brazil.⁹
- Some countries, such as Panama and Costa Rica, introduced an extension to pay fishing rights, credits, electricity and other services.

The producers' responses (fishers and fish farmers) have been diverse, highlighting, in the commercial sphere, the adoption of innovative strategies such as the use of electronic platforms and social networks for the direct sale of fishery-aquaculture products; the enabling of mobile sales points and/or the sale of products from house to house and the setting up of direct sales points (without intermediaries) close to consumers. There has also been exchange of fish for produce.

At the production level, there has been evidence of greater union cohesion to take advantage of economies of scale and even, in some cases, consolidation of harvests for collective sale.

⁵ SUBPESCA, Government of Chile. News on its website. Available at: <https://www.subpesca.cl/portal/617/w3-article-111685.html>

⁶ Guía para el establecimiento, implementación y reforzamiento de medidas preventivas en infraestructuras pesqueras y acuícolas frente a la propagación del COVID-19. Available at: http://www.trabajo.gob.pe/archivos/file/SNIL/normas/2020-04-07_027-2020-SANIPES-PE_7396.pdf

⁷ INCOPECA, 2020. Action Plan to Support the Fisheries and Aquaculture Sector during the CoVid19 Emergency. Available at: https://www.incopecsa.go.cr/publicaciones/covid19/medidas_institucionales/02-plan_accion_atencion_sector_pesquer_y_acuicola_durante_covid_19.pdf

⁸ CONAPESCA.2020. News. Available at: <https://www.gob.mx/conapesca/articulos/adelantara-gobierno-de-mexico-incentivos-del-componente-de-apoyo-para-el-bienestar-de-pescadores-y-acuicultores-bienpesca-239869>

⁹ Ministerio da Agricultura, Pecuária e Abastecimento, 2021. Pescadores Artesanais poderão receber auxílio emergencial durante a pandemia. Available at: <https://www.gov.br/agricultura/pt-br/assuntos/noticias/pescadores-artesanais-podem-receber-auxilio-emergencial-durante-pandemia>



It is important to point out that there have been actions of solidarity by fisheries and aquaculture organizations with their communities, donating part of their production to vulnerable populations in countries such as Costa Rica,¹⁰ Panama¹¹ and Mexico.¹²

In terms of international trade, in a joint effort to ensure that trade flows remain as free as possible, FAO, WTO and WHO have called against border restrictions that disrupt food trade in order to avoid food shortages.

¹⁰Costa Rica Medios. 2020. Fishers exchanging products at the Escazú fair. Available at: <https://costoricamedios.cr/2020/06/07/pescadores-intercambiaron-productos-con-agricultores-en-la-feria-de-escazu/>

¹¹Agencia EFE, 2020. Panamanian fishers give away fish to community during the pandemic. Available at: <https://www.efe.com/efe/america/sociedad/pescadores-panamenos-regalan-pescado-a-su-comunidad-ante-la-pandemia-de-covid-19/20000013-4227397>

¹²Informémonos, 2020. Fishers give fresh fish to low-income families in the face of the CoVid19 crisis in Oaxaca. Available at: <https://desinformemonos.org/pescadores-donan-pescado-fresco-a-familias-de-escasos-recursos-ante-crisis-por-covid-19-en-oaxaca/>