

Food and Agriculture Organization of the United Nations



Promotin<mark>g sustainable</mark> fisheries in coastal areas

CFI Talks 4 | Knowledge Sharing

Private sector engagement in sustainable fisheries 21 November 2022



Brief Report



Philip Townsley, Science to Policy Expert at the CFI Global Partnership Project (CFI-GPP), introduced the webinar as event facilitator. He passed the floor to Fatou Sock, CFI-GPP Chief Technical Advisor, who welcomed participants to CFI Talks 4. Ms Sock highlighted the fact that the CFI Talks provide a venue for exploring some of the key issues and themes that have emerged from work carried out by the Coastal Fisheries Initiative (CFI). Remaining committed to its ambition of making the whole bigger than the sum of its parts, the CFI strives to contribute to global knowledge sharing and awareness raising on sustainable coastal fisheries management, while working to meet the knowledge sharing and communication requirements of each of the partners involved in the Initiative. Thus, the CFI Talks are being organized to enhance the sharing of experiences, success stories and lessons learned from the CFI Child Projects among and beyond CFI partners, pursuing the CFI objective of developing more holistic processes and integrated approaches through South/South learning exchanges, ensuring sustainable coastal fisheries management within the six CFI beneficiary countries and its three regions.

Ms Sock put in context the fourth session of the CFI Talks, focusing on the catalytic role of the private sector in sustainable fisheries. This session was prepared and presented by the World Bank team leading the CFI Challenge Fund (CFI-CF) Child Project in close cooperation with the CFI-GPP. She mentioned that partnerships often involving a combination of government and non-government organizations, local stakeholder groups and private entrepreneurs involved in fisheries and the fish trade, have been a feature of most CFI activities. In the CFI-CF project, these coalitions involve all levels of the fisheries value chain – fishers, producers, managers, processors and traders at different stages, and end consumers such as restaurateurs and buyers in urban centers. She also linked the organization of the fourth CFI Talk to the CFI Global Exchange Visit in Tumbes in Peru, which is being organized from 29 November to 2 December 2022, where local partners and stakeholders from all six project beneficiary countries – Cabo Verde, Côte d'Ivoire, Ecuador, Indonesia, Peru and Senegal – will have a chance to interact with members of these coalitions and learn first-hand about their activities.

2. FIRST SEGMENT: VISION AND APPROACH OF THE CFI-CF

After the opening remarks, Mimako Kobayashi, Team Leader of the CFI-CF, took over to introduce the proceedings: the first segment used a newscast format to report on the vision and approach of the CFI-CF, discussing three critical themes that are at the core of the project: (1) engaging coalitions of fisheries stakeholders that include coastal fishing communities, non-profit organizations, and private businesses (with the support of governments and early engagement of potential investors); (2) coaching and mentoring to elevate the coalitions' proposals to viable investment projects; and (3) market-based mechanisms or industry-led initiatives to ensure the sustainability of innovations.

2.1. The power of coalitions to bring about lasting change

In this newscast segment, the CFI-CF team recalled that artisanal fishers who refrain from overfishing face an uneven playing field. But the private sector can act as a catalyst to empower responsible fishers and make them competitive so that sustainable fishing can become a rewarding business. The key to making this happen is to build effective coalitions with viable built-in solutions

that won't require external support forever. In other words, sustainable solutions for sustainable value chains, from catch to consumer, from fish to plate. Small-scale fishers and the private sector are coming together to build viable businesses while safeguarding ecosystems and livelihoods at the same time.

2.2. CFI-CF Global Knowledge Competition: innovative mechanisms and methods to promote the sustainable use and management of coastal fish stocks

It is well known that fisheries are experiencing deep challenges that are difficult to solve. Coastal fisheries are affected by extremely complex interactions between actors driven by a multitude of interests and incentives, as well as the often invisible, biological processes that determine their productivity. These complex interactions require multi-faceted approaches, which CFI-CF believes can best be delivered by engaging a wide range of stakeholder groups or coalitions. This vision was most explicitly carried out in a Global Knowledge Competition that the CFI-CF launched in January 2022 and concluded in September 2022. Spanning four countries – Cabo Verde, Ecuador, Indonesia and Peru - this competition aimed to mobilize the collective power of stakeholders to design and implement innovative mechanisms and methods that promote the sustainable use and management of coastal fish stocks.

Through the competition, CFI CF created a situation where the competitors must come up with ways to work towards their goal, together. Ecuador's winning solution is a strong example of this coalition building. It brings small-scale fishers, large-scale fishers, and fishmeal companies to the same table, and they try to solve their very real, and very complex problem.

The competition winner from Cabo Verde offers another positive example: a seafood basket sourced from artisanal fishers and women fish buyers and sold locally to a network of restaurants and hotels interested in sustainability.

While designing the competition, the CFI-CF team asked itself: "Why don't we see many effective coalitions solving problems in fisheries?" and "How can the competition make it easier for stakeholders to pursue mutually beneficial goals?" After a bit of discussion, the team decided that a given fisheries stakeholder group probably does not have sufficient knowledge in all aspects of coastal fisheries to enable successful innovative solutions. Also, different stakeholder groups may not regularly communicate with each other in a value chain, and this is partly because regularly communicating and interacting with different stakeholder groups takes time, coordination, and specific skills. There may be issues of unequal levels of knowledge, power, and resources among different stakeholder groups. So, the team looked for ways to mitigate all these constraints through the competition.

External experts or "coaches and mentors" facilitated communication and interaction between stakeholder groups and supported knowledge to bring people together to help solve the problem of overfishing in coastal waters. Country activities of the CFI-CF were carried out in collaboration with local and international experts, who played a vital role in facilitating stakeholders to form effective coalitions that in turn came up with viable investment projects, introducing potential investors early in the process.

2.3. Technical assistance for coaching and mentoring CFI-CF's beneficiaries

The CFI-CF is a technical assistance project, and its objective is to strengthen the capacity of governments, the private sector, and fishing communities to generate a pipeline of responsible investments in coastal fisheries. Forming effective coalitions for developing viable investment projects is a process involving technical expertise to leverage innovative coalitions, all working in the same fisheries space, to address significant challenges to the future of the sector.

A successful investment in coastal fisheries needs to be a package that addresses multiple aspects. Proposed packages would be financed with public and/or private capital. Actual financing and implementation of the package is outside the scope of CFI-CF. To meet minimum criteria, CFI-CF investment packages must consider both: fish resource sustainability, a consideration at and before fishing; AND the profitability of a seafood business, usually a consideration after fishing (post-harvest). The CFI-CF thinks these considerations are necessary because sustainable fisheries management usually falls under the responsibility of the public sector and concerned NGOs and requires external financial resources, AND blind promotion of seafood businesses or fisheries-related infrastructure can lead to fish resource degradation.

Conventionally, fisheries management has been done in a top-down manner with government fisheries administrations developing and implementing management measures. Lately, there has been recognition that to be successful, fisheries management needs to be more participatory and that fisheries actors are more likely to comply with regulations if they have been part of designing them. Hence, co-management is increasingly being promoted as a best practice. Co-management typically involves fishers but not necessarily other actors and private companies along the value chain, even though they play a key role in channeling consumer demand. Private firms involved in the seafood industry have instead often been blamed for their role in driving indiscriminate fishing practices and overexploitation of fisheries resources. But they should also have clear incentives to encourage more responsible fishing practices – after all the sustainability of their businesses depends on it.

The private sector seafood businesses can play an important role in communicating demand for fish from responsible fishing to producers and linking them to markets that are willing to pay a premium for sustainable fish. Ecolabeling is an example of how sustainably caught fish can be marketed. There is also a move towards socially responsible fisheries value chains that not only consider the sustainability of the fishery resources but also the well-being of the people who work in these value chains, ensuring that they work under decent conditions and earn fair wages.

Simple blind promotion of seafood businesses will not necessarily do any of this. In fact, in the past, promotion of seafood businesses and construction of fisheries-related infrastructure can simply encourage an increase in fishing activity and further degradation of the fisheries resources. This is where international agencies, such as those involved in the CFI, have a key role to play as they can facilitate these connections between responsible seafood businesses and responsible fish producers. In all the CFI countries, the project has been facilitating linkages that run right through the value chain, from producers to fish buyers and traders to consumers in the form of restaurant chains. This is where the CFI-CF's coalition approach has played a significant role: linkages that encourage both sustainable production methods and good business practices have a much better

chance of proving economically sustainable as they create benefits for the people and organizations involved at all levels.

The CFI-CF believes that with true engagement of the private sector, investing in coastal fisheries can be profitable and contribute to resource sustainability at the same time. Interventions with lasting results should include some market-based or industry-led elements, so that there will be built-in incentives for the stakeholders to want to stick to the solutions.

3. SECOND SEGMENT: CFI-CF PARTNERS' AND BENEFICIARIES' EXPERIENCES AND LESSONS LEARNED BASED ON THE GLOBAL KNOWLEDGE COMPETITION

In the second segment, beneficiaries and partners of the CFI-CF presented their first-hand experiences. Each presentation explored a business case or an investment package that was developed during the project. The process brought together a wide range of local fisheries stakeholders, local experts and international supporters. But the CFI-CF believes that a viable solution should NOT require external support forever. So, coalitions are asked to incorporate market-based elements in their solutions as built-in incentives for the stakeholders to want to stick to those solutions.

Examples and testimonies from competitors in Cabo Verde, Ecuador, Indonesia and Peru have shown that crowdsourcing ideas from local stakeholders and elevating the ideas through coaching and mentoring by local and international experts worked well. Pair fishing from Peru's runner-up coalition, for example, aims at improving the marketing of fish catches by design to reduce fishing pressure while adding value to the catches to make the fishing business more profitable and sustainable. The competition called for investors, donors, and other organizations to support the participating coalitions and to replicate the approach to foster more collaborative solutions in other geographies and fisheries. Among its significant outcomes, it revealed the value of coalitions in leveraging the strengths of different organizations to build a common voice and mission to promote sustainable fisheries and resilient communities, and how they as a funder support building more effective coalitions through third parties so collaboration doesn't fall only on its members. It helped to discover new opportunities to engage and strengthen coalitions to support sustainable coastal and marine management and highlighted key facilitating conditions to supporting more effective partnerships including developing a common roadmap, coordinating with national and local governments, and identifying and mitigating the risks for the financial sector to bring sustainable financing.

Some takeaways, lessons learned, and recommendations drawn from the Global Knowledge Competition and competitors' experiences are to:

- build relationships at local and national levels to turn ideas into opportunities through building social capital to strengthen partnerships;
- develop solutions that build incentives for the inclusion of artisanal producers and fishers' groups, including the empowerment of women, to ensure that fishing communities can meet their basic needs and improve their livelihoods;
- have empathy as innovators and a mindset to foster win-win collaborations, the need for intermediary organizations that can support innovators and collaborations, and the usefulness of technology in providing new opportunities to connect;

• network and provide learning resources to support innovators working to solve the same problems as their stakeholders with the support of international organizations.

4. WRAP UP AND CLOSING REMARKS

The second segment was followed by a Q&A session where participants had the opportunity to interact and discuss with the CFI-CF and CFI-GPP teams. After this interactive section, Ms Kobayashi took over to wrap up the webinar. The first segment presented a newscast to highlight the vision and approach of the CFI-CF; in the second segment, CFI-CF beneficiaries and partners presented their experiences. Ms Kobayashi recalled that the CFI-CF's main objective is to truly engage the private sector as a catalyst to making coastal fisheries more sustainable and keeping them that way. The idea is not to replace the conventional approach to sustainable fisheries management but to mobilize private sector help to make these initiatives more effective and with lasting impacts. For that reason, coaching and mentoring was provided to all stakeholders including fishing communities and private businesses as a big part of the CFI-CF's technical assistance component, she concluded.

Mr Townsley brought the session to an end and thanked all the presenters, organizers, and participants.

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