

GLOBALISED OUT?

A CASE FOR FISH TRADE IN DEVELOPING COUNTRIES

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Fish In LDCs

- 60 out of 77 ACP countries –significant fish stocks
 - ▣ Some wholly dependent on fisheries
 - SIDCs
 - %GDP upto 45%, employment....
- Socio-economic and Socio-cultural linkages
- The three issues:
 - ▣ Fisher Communities –globalised out
 - ▣ Value Chain – Whose fish?
 - ▣ Access fishing: issues

Fisher Communities – Globalised Out?

- Dilemma ONE:
 - Post harvest resource conservation
 - 30% loss
 - Value addition or value loss: drying/
 - Export processing and trade
 - Test: the threshold of standards: 2-3mil\$
 - Credit and capacity issues
 - Players –mainly outside fishing community
 - Adv: higher value to fishers, low post harvest losses, better govt resource rent capture
- Policy Challenge:
 - Maintaining riparian communities economic interests in the globalization process

The Value Chain Challenge

- Dilemma TWO: Rules of the Trade
- How much value is retained at supply-side?
 - The 4-14\$ rule in fish fillets trade
 - ▣ Market access issues: tariff escalations and RoO
 - Encourage mainly raw material fish exports
 - ▣ Services issues:
 - Aim:
 - reducing value chain at market side
 - Enhancing developing countries participation in demand side marketing
 - HOW? Commercial Presence (mod 3) and temp movement of persons (mod 4)
 - The Iceland example
 - ▣ 'You don't make money by fishing, or even processing, but by selling it'

Access Fishing


- Dilemma THREE
- Simple argument?!
 - 'DCs have the fish, UNCLOS provides for surplus access, and DWFNs pay for it'
- Access: Four types
 - Govt -to-Govt, -EU-bilaterals, USA-multilaterals
 - Govt-to-Private sector —Japan, China, Korea, Chinese Taipei
 - Quota licensing – domestic or foreign based
 - Licensing – usually period-based, no catch quotas
 - Central question: how much value does the host country capture, and at what stock-sustainability cost?

Access Fishing: Issues

- Is it based on principles of free trade?
 - The negotiations
 - Open, closed
 - The surplus issue – evidence? Who pay for MCS?
 - The levels of compensation (payment)
 - 3-12% tuna, some up to 26-40% (PIC-USA agrm)
 - Value added – direct and indirect
 - 'raison d'être' for access support
 - The subsidy issue:
 - Shipbuilding, financial, fleet modernization
 - Up to 40%
 - THIS WILL KEEP developing countries out of their EEZs
 - Policy Challenge: how to construct an international policy framework targeted at access fishing, ensuring on one hand maximum resource rent capture by host countries, and also environmental sustainability (stocks) issues

...

- Fisheries in LDCs will continue to make only marginal contributions to economic development unless :
 - ▣ developing countries are able to bargain for fair value for its access,
 - ▣ capture more value along the value chain,
 - ▣ and adapt technologies that enhance value addition.
- the difficult question:
 - ▣ whose fish is fish in developing countries waters? If it's obvious that it's theirs, do they capture sufficient value to prove it?
- the Challenge:
 - ▣ Policy instruments at both developing and developed countries that ensure that resource globalization in fisheries enhance development, taking into account socio-cultural linkages



**‘You don’t make money by fishing, or
even processing, but by selling it’**

thank you

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