

The International Seafood Trade: Supporting Sustainable Livelihoods Among Poor Aquatic Resource Users in Asia

- **Organisation:**
Poseidon
- **Partners:**
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UK, France, Vietnam, Philippines, Indonesia

Background and Objectives of the Research

The global export value of fisheries products has grown significantly in recent years in response to consumption trends, reaching € 58 billion in 2002, greater than the combined value of net exports of sugar, rice, coffee and tea. Developing countries are increasingly important suppliers of fisheries products, with the EU a major importer, consuming 63% of internationally traded seafood. This trade has significant, but often hidden, implications for poor people's livelihoods in Asia, where fishing, aquaculture and fisheries products provide food and income for some of the poorest and most marginalized people in the region.

This research project investigated the international trade in fisheries products and its relationship to poverty alleviation and livelihoods of poor aquatic resource users in developing countries in Asia, with the purpose of identifying options to improve the effectiveness of poverty reduction in international fisheries trade.

The research project methodology combined an overview analysis of trade in fisheries products between Asia and the European Union, with detailed case studies of two valuable fisheries commodities: shrimp (from Vietnam) and marine ornamental species (from Indonesia and the Philippines). The overview described the seafood market supply chains and demand trends; the policy and institutional contexts

relating to trade and poverty reduction at global, regional and national levels, and their implications for poverty reduction; and ongoing trade-related initiatives relevant to poverty reduction. The field-based case studies mapped market chains, identified stakeholders, analyzed the livelihoods of poor stakeholders and the influence of trade on these livelihoods and identified pro-poor options for fisheries trade. The case study findings were combined with the overview report to draw together key research findings and policy recommendations concerning the EU trade in fisheries products and poverty.

Research Findings

- Trade in fisheries products between Asia and Europe involves many millions of poor people, providing income and food to some of the most marginalized and landless people in coastal communities.
- Trade in shrimp and ornamental marine species include women and men, and sometimes children, who are often the poorest of the poor and are especially vulnerable.
- Many poor people associated with the trade in live marine ornamental animals are not well organized, suffer health deterioration and are solely dependent on the trade to support their family's subsistence. They cannot easily divert to other livelihoods because of limited alternatives.

In cooperation with



- Factors and influences impacting on poor producers that can increase their vulnerability and prevent poverty alleviation, relate to both domestic and international trade. Importantly they also relate to wider non-trade issues reflective of societal structures in general, levels of governance, marginalisation, and levels of human and financial capacity.
 - The influences from international trade include increasingly strict environmental, sanitary and phytosanitary (SPS) standards, technical barriers to trade and declining prices for some seafood commodities and live marine ornamentals.
 - Environmental certification initiatives and corporate social responsibility represent major trends in trade of aquatic products, and provide opportunities for poor producers. But they also represent risks of further marginalizing the very poor if they are unable to respond to, and engage in, such schemes due to issues of cost or group organisation.
 - The risks inherent with much international trade in seafood are often passed on to the poorest stakeholders in the chain who are the least able to deal with them.
 - Institutions in developing countries with responsibility for aquatic resource and seafood sectors are often poorly developed with limited capacity to manage the risks and influences of international trade. In Vietnam, the Philippines and Indonesia, institutions and policies do not reflect or address at all well the key influences on poor stakeholders.
- Policy Recommendations**
- The importance for poor people of trade in aquatic resources needs to be more widely appreciated, and included in national poverty reduction strategies.
 - Assisting poor traders may be best achieved by focusing on quality and reliability of supplies, rather than specific attempts at pro-poor branding or certification.
 - Policy support for poor producers should include incentives and capacity development for sustainable capture and production methods, improved social organization and access to market information, and continued improvements in handling, storage and transport throughout the market chain.
 - Substantial capacity building and institutional development is required in developing countries to assist governments to (i) analyze and understand people's livelihoods and how best to support them, which in turn would result in better policies and (ii) to be able to better adapt to SPS measures and to monitor and respond to ongoing developments in trade.
 - The potential for the poor to be further marginalized by certification schemes must be specifically recognized and addressed.
 - Supportive trade policies must be backed up by wider initiatives related to good governance, decentralisation and local management of resources.
 - Greater support is required for research and development on pro-poor trade in aquatic resources
 - The poor in developing countries would benefit from reductions in tariffs on aquatic products processed outside of the EU.

For further information on this research project, please visit:

EC-PREP website: www.ec-prep.org

Poseidon website: www.consult-poseidon.com

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