**Coral Triangle Fisher Forum II**

**Breakout Group Notes (Day 2)**

**19 June 2012**

**Group B**

Acknowledging that

1. In the short term, the scope for traceability systems is greatest in large scale industrial fisheries;
2. That consumer demand for traceability systems is higher for products from export-oriented fisheries in the region; and that
3. Demand for traceability systems arising from market access requirements have the greatest impact on export-oriented fisheries in the region, but
4. That IUU fishing occurs in small scale fisheries in the region primarily servicing local markets

Identify:

1. **In relation to large scale export fisheries**
   * **Responses to the issues associated with implementation of traceability systems for these fisheries**
     1. **Including activities, key players, support and resources required**
   * **Ways to promote the adoption of traceability systems**
     1. **Including activities, key players, support and resources required**

* Constantly changing regulation poses as a challenge—but if the system is already in place, industry should be able to adapt to these changes—need to be flexible and responsive in designing these systems—need to be comprehensive from the start so you don’t need to constantly add on
* Minimize cheating by avoiding paper-based options—e-option poses as a preferred option—for ease of use
* Complexity of the supply chain (sorting, trans-shipment, unloading) is also proving to be a challenge
* We’re looking traceability for legality—for purposes of addressing IUU—but this serves other purposes as well such as quality control, etc
* Traceability is currently seen as an imposition but it really is a tool—market access in the end is a benefit for fishers
* Internal traceability systems should ideally be a multi-purpose system
* No e-system is full proof though – data security should be considered
* Motivator / incentive – key issue that should be addressed first—how do we make it happen? Regulation?
* Link to the consumer—good motivator—a huge value add; people are looking more for the consumption experience; push from the consumers can be effective
* Adoption can also happen voluntarily by industry if given access to fishing rights; guaranteed long-term access to fishing grounds
* Demonstrate a streamlined and useable system and include a management plan for those fisheries without one
* Providing rewards for traceability (MSC) – tangible and visible – may work as an incentive
* Incentive through money or some form of participation
* In the US though, there’s no catch certificate requirement and some fishers just go to the next available market – this needs to be addressed
* Live reef fish trade bottleneck approach may be used – tap key influencers – **NGOs** are really good in guarding these key influences / key pressure points
* Need to present an overall good business sense – investment in technology and info management
* Incentives to the industry (petrol subsides) – if these are linked to traceability systems, fishers may be less resistant to adoption
* Need to demonstrate benefits for both industry and fishers – show short term benefits (on top of long term ones)
* Need to almost make it the fishers’ idea – give them some blue sky – a better future long term
* In dollars and cents, need to show the numbers – initial level of investment
* Data management also needs to be considered – a system to analyze and maintain the data
* From a developing country perspective: need to address IUU first in terms of management and strict regulation – traceability can then come after as a link to the market
* Lack of awareness is an obstacle
* **Government** should take the lead – to create the environment for adoption
* Downside of traceability – buyers may see that the products are 2 weeks old after having gone through too long a process; barcodes will reveal date of catch, etc
* In Indonesia – Seafood Savers Program – menu cards – can be used as a carrot on a stick – tell fishers that their products can move from red to green if they work on traceability—this links to awareness on demand for sustainable products
* There’s an ongoing role for educating consumers and local level where fishers are
* Boat owners have different motivations—Malaysia fishers for example won’t be interested if there’s no economic value—system may need investment upfront
* **Government** plays a crucial role – provide regulation, incentives and enforcement – but government may be looking to much at the big picture only – the most effective way is to influence the industry – the **buyers** (**retailers**) and ultimately the **consumers**
* In Thailand – already has a system in place; can trace raw products from fishing vessels; close engagement with fishers; have inspectors from EU
* Competition is a key motivator – if company A is getting more value for traceable products, company B will follow suit
* Need to be promoting success stories and use as models for other sites and situations
* Companies looking for a silver bullet and so need to show good examples—a model that works and can pass down the values and benefits to the fishermen and processors
* There are many good examples – huge market campaign in the US – but how transferable are they?
* In MSC, benefits are not necessarily shared equally across the supply chain but they still do encourage different players on different levels – don’t be quick to dismiss incentives altogether just because they can’t be shared equally
* Need to show the complete story all the time – declining fish stocks – to help people understand why we are doing this
* In Malaysia, a processing company had to convince fishing boats (as many as 10) to address IUU through proper documentation and had to bear the costs to be able to export the products (to comply with EU health requirements) – impetus came from the market (strict inspection requirements) – long term investment

1. **In relation to small scale fisheries servicing local markets**
   * **Opportunities for the adoption of traceability systems to these fisheries**
     1. **Including activities, key players, support and resources required**
   * **In the absence of consumer / market access incentives to address IUU fishing what alternative approaches to addressing IUU fishing are available and how can their adoption be promoted**
     1. **Including activities, key players, support and resources required**

* In Malaysia, for small scale local context – fishers will cheat all the way!
* System will need to be rigorous and water tight to avoid this
* Local people don’t care about IUU and will go for the best price
* Hard to sell the future for people living in the present
* Education is key – school visits
* May take a lot of ground work for long term results
* How to manage IUU if traceability is not the answer?
  + Many fishers are not even aware that what they’re doing is IUU
  + Most of them know what they want to do as an alternative to IUU fishing—tourism-based business; seaweed farming
  + Need to establish ownership – concept of stealing resources owned by other owners – rights-based management is key
  + Community relocation could be an alternative – children are already involved in fishing
  + For artisanal fisheries, traceability is the wrong word – need to work closely with **local communities** for them to safeguard their own resources – might be easier to trace products from a community / village known for sustainable fisheries – presents different levels of traceability – doesn’t have to be traced from each canoe
  + In Fiji, many in-shore fishing grounds have management plans in place—good to build on these existing platforms—could be a good starting point in Fiji and for making the connections to start up something