

Session: Labeling and Certification: How can they improve market access for productions from small-scale fisheries and ensure responsible fisheries?

The group agreed to open this question up in such a way that it did not immediately assume that labeling and certification were able to provide benefits to small scale fisheries or that SSF necessarily wished to participate in this type of initiative.

The group was informed of some of the concepts for those who were perhaps not so familiar with certification issues. It was clarified that there are, at least, two different kinds of certification schemes: environmental, and social, and that within such schemes, there are different levels of accreditation: there is 3rd party accreditation implying that somebody from the outside assesses and certifies the operations, and 1st and 2nd party schemes where initiatives are certified by the producers or the standard holder (and therefore there is less independence in the assessment). In addition, there is branding, which involves drawing the attention to a certain region, product or method but operations and may not under any kind of inspection or standard. It was agreed that the discussion should not be constrained to just environmental labelling (eco-labelling), but should include these other types of labelling and certification.

The discussion was divided into three main questions:

- 1) Markets: what happens in the marketplace, both domestic and in terms of export/imports?
- 2) Resources: what happens to the fisheries resources – is there a clear linkage to responsible fisheries?
- 3) People: what happens to those involved – fishers, as well as the communities in which they live?

Markets

The group questioned what was driving the elaboration of an international label – the consumer, the retailer, the wholesaling industry or the fisher. It was clarified that the need for larger volumes of standardized products for export and even large volume domestic markets marginalized SSF who were unable or unwilling to produce in this manner. Some felt that labelling issues have not really reached the SSF sector yet due to their generally poor connections into market chains which might demand certified or labelled products (and which might be willing to pay for it also). The group emphasized that it was important to understand the underlying drivers before embarking upon certification attempts. In this context, examples of SSF currently certified, or under full assessment, were given.

In relation to the statement developed by the three-day Civil Society Pre-workshop [Annex??], it was underlined that whilst many fish workers and their organizations are against specific certification schemes, but not against regional branding type initiatives.

Positive market-related viewpoints on certification schemes, and branding where this is explicitly stated:

- Generates increased income, and profits
- All family members have potential to be involved
- Can promote for demand for good products
- May improve product profile/image
- Producers obtain a better price if the parameters surrounding that product are clear
- Quality and food safety may improve as a result of embarking upon a scheme
- Competitive advantages – development of a niche, at least in the short-term
- Branding may secure markets
- Branding may have very little cost involved
- Labelling is good for guiding policy in fishery management - can help stock recovery as constraints on fishing activities are often involved and so certification, if well applied, enables better resource management

Negative market-related viewpoints on certification schemes, and branding where this is explicitly stated:

- Many hurdles to tackle before reaching the destination
- Very expensive to start for SSF
- May result in a reduction in material supply **to other markets**
- Export mainly to the most “politically correct markets”, not necessarily those who pay the best price
- If involving high-quality fish, perhaps beneficial to the trader but the local/domestic market may suffer
- Fishers who do not get certified become isolated and do not have the same market access
- Increased fishing pressure may result from increased demand
- How to tackle illegal or unreported fishing within a certified fishery?
- Financial benefits may not reach fishers
- Branding requires consumer awareness
- Eco-labelling requires a lot of data
- Labelling requires funding in order to be implemented, as opposed to branding
- Labelling can make the product highly priced resulting in increased prices for domestic consumers
- Labelling may be exclusive (as in excluding)
- Eco-labelling can be perceived as an international, corporate tool
- Domestic market gets the reduced-quality fish and become marginalized – reduces local supplies
- Benefits only the most advanced developing countries

Fisheries resource

As for the *fish resource*, some felt that there needs to be structured systems in place to ensure limited eco-system impact, and also that a system that encourages good management is a positive development.

Related to the question of a structured system, was the problem that some had encountered when trying to get organized to add value to their catches, by fishing in traditional ways - involving fishing on a daily basis - but that the fishmongers mix up their produce with that of industrial fishing and that they are therefore not rewarded for their efforts. It was also noted that separation of catch in mixed species fisheries is difficult for small scale fishers who are operating with very little income and cannot afford to be selective.

Impacts on livelihoods

As the discussion moved on to focusing on the impacts of schemes on *fishers and their communities*, the point was made that there is a difference in the power-balance; small-scale fishers and their organizations are often facing big retailing chains, which are not necessarily interested in small fisheries as they demand consistent supplies. It was also felt that retailers have a tendency to pass on the costs involved to the fisher. In relation to this, self-certification (i.e. 1st party accreditation) was mentioned as an alternative. In this context, it was questioned whether it was actually the certification that was the problem, or the power of the retailers. Fair-trade labels were perceived by some as less retailer-driven.

It was pointed out that certification can be perceived as an additional burden as there are many other checklists to comply with, in terms of food safety for example, and that as a result, a product which is produced according to ecologically sustainable methods may fail on the export market because of food safety regulations.

Some felt that certification is confusing for SSF as there are so many labels, and also that labelling schemes exclude those not participating from the market. It was also pointed out that there are so many fisheries and people involved in SSF and that the cost of assessing them all would not be met with adequate financing.

Some felt that labeling is just another force that will exclude the SSF sector – that the standards that have been set ignore the conditions in fishing communities, and the pressure of lives in these communities. It was questioned why SSF should Endeavour to reach standards that have been imposed upon them. It was pointed out that in a dialogue with the certifier, you may not understand all the issues on the agenda surrounding certification and yet this is put down as a consultation. A comment on this underlined that where labelling schemes are properly developed and allows for participatory involvement, it does give advantages to the communities, and that following some of the procedures involved in a certification process brings people together for discussions around the collection of data etc. which will generate benefits in themselves. The importance of co-operatives was highlighted in this context.

In the discussion that followed, it was pointed out that some management measures, for example closed areas, are compromised on the grounds of livelihood, and that measures like size regulations are very difficult to implement in the context of marginal fishers where the issue is daily survival. Some will market their produce whatever the size; the trader buys all sizes in order to deliver to the factory, who in turn buys all sizes. This highlighted the complexity of the issues at hand, but also the importance of collaborating in all stages of the value-chain when developing and implementing policy.

The case of the Lake Victoria Fisheries Organization was raised, as an example of free forces operating, where many fishers are engaged in Nile perch fishing, a product of interest to lucrative markets; fishers choose to sell to these lucrative markets and a substantial share of the purchasing price on the European market does reach the fisher. The alleged success of this project was attributed to the industry being well organized, and those buying the fish off the fishermen being well informed. A comment was made that the LVFO system is difficult to duplicate.

The question of whether an introduced species could be eco-labelled arose and one comment on this pointed to the fact that once the species has become irreversibly established in an eco-system, it ought to be treated as any other species.

Standards in certification

On the issue of ownership of certification schemes, it was underlined that the Marine Stewardship Council scheme was established on the basis of the 1995 FAO Code of Conduct for Responsible Fisheries (CCRF) which a vast amount of fishing nations have contributed to, and recognized. In this context, it was pointed out that in many countries the CCRF is not implemented, despite governments having endorsed it, and so the MSC is referring to a Code which in some cases is alien to the fishers.

The question arose whether there ought to be a specific chapter on SSF in the Code of Conduct for Responsible Fisheries, and that this could perhaps benefit SSF when elaborating criteria for eco-labelling schemes. It was emphasized, however, that the Code includes SSF and that it should therefore be applicable as it stands to small-scale as well as larger-scale fisheries.

One contribution underlined that labelling schemes are there, whether one likes them or not, and that if the issues are not addressed, SSF risk getting more excluded. The suggestion was made that perhaps SSF organizations need to join forces and elaborate a plan of action for addressing the issues, perhaps in order to obtain specific guidelines for SSF eco-labelling. In this context, it was pointed out that the MSC is working on less data-intense certification schemes, for the benefit of SSF.

Conclusion

It was further emphasized that small-scale brands have their own advantages but that the distinction between eco-labelling schemes and branding is vital and that this has to be

made clear to the market. In conclusion, it was recognized that not all issues had been addressed due to the limited time at hand, but the group agreed that:

- there is no one approach that is suitable for all small-scale fisheries
- It should not be automatically assumed that all SSF want or need to be a part of the international market, or even national level market chains.
- there is a broad range of challenges that constrain SSF from entering into schemes and these must be recognized
- the price differential can work against local/domestic communities,
- there are complexities in complying with the various ways of measuring sustainability
- In some circumstances there are market advantages to be gained
- there are also resource sustainability advantages to be had
- an environmental type label will focus heavily on resource sustainability but branding can relate to other positive factors or features of the fishery
- branding based on traditional fishing might increase the fishing pressure as systematic forms of monitoring is not required
- there is a big gap between the international market and many small-scale fisheries
- information flow is a critical component particularly relating to market demand and access to market chains
- it is important to be well organized if benefits are to be gained from labelling or certification initiatives