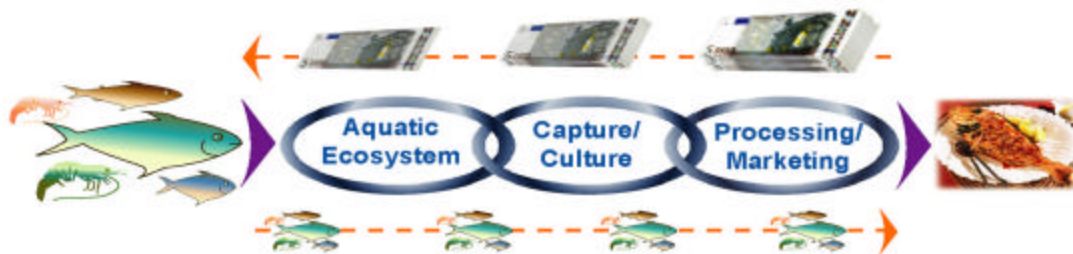


Workshop on Global Value Chains and Local Fisheries



April 12 and 13th, 2010

**A-5014, Arts and Administration Building,
MUN**

Background, Suggested Readings and Program

CURRA Workshop on Global Value Chains and Local Fisheries

Background

The Community-University Research for Recovery Alliance is partnering with Charles Mather in Geography to host a graduate student/researcher/community stakeholder workshop on Global Value Chains and Local Fisheries. The Workshop is scheduled to take place on April 12th and 13th 2010. An estimated 25 people have expressed interest in attending this workshop. If you have not yet formally registered, please contact Janet Oliver (joliver@mun.ca) as soon as possible to do so.

Workshop Description, Goals and Structure

The global value chain framework is a key contemporary approach to understanding the dynamics underlying the production and consumption of food in an increasingly globalised economy. While the origins of the framework date back to Hopkins and Wallerstein's work on world systems theory in the late 1970s, the global value chain framework is most often associated with the work of Gary Gereffi and his colleagues. Gereffi's work has led to an enormous number of value chain case studies especially in manufacturing, on the production and exchange of fresh fruits and vegetables, and on processed food products like coffee and cocoa.

Global value chain research has improved our understanding of commodity production and global exchange in significant ways. In particular it has provided insights into power dynamics along value chains, interactions between actors, and how chains are restructuring in the face of local and global processes.

There are many value chain studies on the production and exchange of fresh fruits and vegetables, and processed food products like coffee and cocoa. Yet there are far fewer studies on fish value chains. John Wilkinson's paper, published in 2006, was one of the first efforts to engage in a sustained way on how the harvesting and exchange of fish products might be understood through value chain analysis. Since then, there have been other efforts to understand different fish value chains and their governance, but the number of fish value chain studies remains limited.

The purpose of this workshop is to examine the potential contribution value chain analysis can provide to our understanding of Newfoundland and Labrador fisheries. Our key question is: what 'value' is there in value chain analysis for fisheries, especially in the context of changes happening in the local sector? What new insights may be gained from understanding the restructuring of Newfoundland's fisheries through a value chain framework? Does this framework provide insights beyond what we already know about the transformation of the fishery and current and future opportunities for more sustainable and equitable fisheries?

The workshop has been structured to provide participants with an understanding of the global value chain approach and specifically its (potential) role in understanding fish value chains. On Day 1, the first presentation by Charles Mather will provide participants with an overview of the global value chain framework and the key insights that have emerged from value chain analysis in the last 20 years. This will be followed by a presentation by Dr Martha MacDonald, a CURRA co-investigator, who will bring a gender lens to the overall discussion on understanding fisheries from

‘trawl to table.’ The third presentation will be done by video conference. Liam Campling will present a value chain analysis of the global tuna industry. This will be followed by a presentation by CURRA Interdisciplinary Ph.D. student Kristen Lowitt on how the focus on supermarkets in some value chain research could help us understand fisheries and food security in Newfoundland. Day 1 will conclude with an overview of the day and discussion led by CRC Ratana Chuenpagdee followed by an evening screening and discussion of the global fisheries video, *The End of the Line*.

Day 2 will open with a video conference presentation by Stefano Ponte from Denmark on the impact of Marine Stewardship Certification on South Africa’s hake industry. The second presentation will be by Ahmed Khan, a CURRA Ph.D. student in Geography. Ahmed will discuss his research on cod fish chains in the Northern Gulf fishery pre- and post-stock collapse focusing on markets. The workshop will conclude with a discussion period kicked off by a series of short panel presentations by stakeholders and researchers responding to the workshop presentations and seeking to address the overall question of the relevance of global value chains research for understanding the NL fisheries.

Acknowledgement: The fish chain graphics on front page is courtesy of Bavinck et al. 2005.

Readings

In order to make the most of the time we have we strongly encourage workshop participants to review the attached readings and websites prior to the workshop.

- Bair, J. (2005). Global capitalism and commodity chains: looking forward, going back, *Competition and Change*, 9(2): 153-180.
- Copes, P. (1970). The backward bending supply of the fishing industry. *Scottish Journal of Political Economy*, 17(1): 69-77
- Gereffi, G., Lee, J. and Christian, M. (2009). US-Based food and agricultural value chains and their relevance to healthy diets. *Journal of Hunger and Environmental Nutrition*, 4: 357-374.
- Global value chains website: <http://www.globalvaluechains.org/concepts.html>
- Gudmunssen, E., Asche, F., and Nielsen, M. (2006). Revenue distribution through the seafood value chain. FAO Fisheries Circular 1019. <ftp://ftp.fao.org/docrep/fao/009/a0564e/a0564e00.pdf>
- Wilkinson, J. (2006). Fish: a global value chain driven onto the rocks, *Sociologia Ruralis*, 46(2): 139-153.

Supplementary Resources

- Bavinck, M. et al., (2005). *Interactive Fisheries Governance: A Guide to Better Practice*. Eburon Publishers, Delft. http://www.fishgovnet.org/downloads/documents/bavinck_interactive.pdf
- Beaulac, J., Kristjansson, E., and Cummins, S. (2009). A systematic review of food deserts 1966-2007. *Preventing Chronic Disease*, 6 (3).
- Gareffi, G., Humphrey, J., and Sturgeon, T. (2005). The governance of global value chains. *Review of International Political Economy*, 12(1): 78-104.
- Short, A., Guthman, J. and Raskin, S. (2007). Food deserts, oases, or mirages? Small markets and community food security in the San Francisco Bay area. *Journal of Planning Education and Research*, 26: 352-364.

Selected chapters from *Trading Down*, by Gibbon, P., and Ponte, S. (2005).

Special Issue on Value Chains in *Economy and Society* Vol. 37, Issue 3

Sumaila, U.R., Chuenpagdee, R and Vasconcellos, M (Editors) (2000). Proceedings of the INCO-DC International Workshop on Markets, Global Fisheries and Local Development, Bergen, Norway, 22-23 March 1999. ACP-EU Fish.Res.Rep. 7: 115p.
ftp://ftp.cordis.europa.eu/pub/inco2/docs/acp_7_proceedings_en.pdf

Thorpe, A., and Bennett, E. (2004). Market-driven international fish supply chains: The case of Nile Perch from Africa's Lake Victoria. *International Food and Agribusiness Management Review*. 7(4): 40-57.

Winson, A. (2004). Bringing political economy into the debate on the obesity epidemic. *Journal of Agriculture and Human Values*, 21: 299-312.

Logistics

Community partners and stakeholders registered for the workshop should contact Janet Oliver to arrange for a temporary parking permit for the duration of the workshop. Janet can be contacted at joliver@mun.ca or by telephone at 737-7551.

The Screening of *End of the Line* on April 12th, 7:30 onwards, is currently scheduled to take place at Barb Neis' home at 61 Prince of Wales Street. Depending on interest and workshop enrolment, we may need to shift the location to accommodate numbers. Final location will be confirmed in a separate email and announced on the day of the event.

Global Value Chains Workshop Program

Location: A-5014, Arts and Administration Building, MUN

Day 1: Monday, April 12th

8:30 Registration and Coffee

Session Chair: Barb Neis

9:00 -10:15 Charles Mather, (Geographer, Memorial University)

From commodity chains to value chains to global production networks.

This presentation provides an outline of the global commodity/value chain approach and analysis of the key insights that have emerged from this framework over the last 2 decades.

10:15-10:30 Nutrition Break

Session Chair: Barb Neis

10:30 - 11:45 Martha MacDonald (Economist, St. Mary's University and CURRA co-investigator)

Global Value Chains and Local Fisheries: The Value Added of a Gender Lens

This presentation is based on a talk/paper ten years ago on building a framework for analyzing relationships between gender, globalization and the fisheries, which advocated a 'gendered' value chains analysis. A strong research base on gender and the fisheries exists worldwide. Through increasing opportunities to share that research in international forums, links are being made between developments in various fisheries and countries and understanding the global harvesting/processing/distribution/consumption continuum. However, the gender and fisheries academic community may be somewhat separate from the emerging value chains research effort. The importance of gender to understanding processes in local fisheries – well established in the literature - needs to be applied to global value chain analysis of fisheries. Lessons will be drawn from gender and fisheries research, using both Newfoundland and international examples. A gender lens will add value to the value chains approach to international fisheries research.

11:45-12:30 Lunch Break (Lunch Provided)

Session Chair: Charles Mather

12:30-2:00 Liam Campling (Queen Mary University, London)

Industrial structure, market power and ecology in the US-centered tuna industry

The multibillion dollar global tuna industry is dependent upon a hunted commodity whose ecological limit to expanded exploitation has very probably been met. A large literature examines the wide range of environmental and regulatory conditions of production in marine fisheries (i.e.

resource decline and fisheries management), but there is very limited engagement with concrete firm-level responses to these conditions and associated social relations. This paper investigates a system of production for canned tuna, highlighting changes in industrial concentration and control, and competition and collaboration from fishing to retail marketing. Using the case study of the US-centered commodity chain in canned tuna, we reveal how lead firms adjust their production strategies and use market power to ensure supply and mitigate risk in an era of deepening competition for limited tuna resources. The analysis identifies a fundamental ecological contradiction in the logic of capitalist growth in this production system: sustainable tuna exploitation is essential to the longevity of tuna fishing and processing firms, yet despite collaboration by some leading firms to the contrary; the primary focus of the totality of firms involved in this system is on production expansion. Movements towards reconciling this dilemma contribute to the argument that resource-based production systems must be understood in terms of capitalism acting through nature, not on it.

2:00-2:15 Coffee Break

Session Chair: Ahmed Khan

2:15-3:45 Kristen Lowitt (Interdisciplinary Ph.D. Candidate, Memorial University)

Analysing Supermarket Foodscapes: implications for food availability and health

Value chain analysis has identified supermarkets as key players in the food value chain with significant leverage for healthy diets as drivers of change (Gereffi, Lee & Christian, 2009). Supermarkets are an important part of the larger food environment, and are often presumed to have many nutritional and economic advantages compared to other forms of retail, generally offering a wider variety of foods (including fruits and vegetables) at lower costs (Short, Guthman & Raskin, 2007).

Recent emerging political economy studies in the field of diet/nutrition are beginning to problematise the supermarket “foodscape” (Winson, 2004). Winson’s (2004) review of food retailing trends suggests that supermarkets are undergoing a “spatial colonization” of high sugar/high fat “pseudo foods” due to the highly profitable nature of these items (Winson, 2004). Gereffi (2009) similarly suggests that the structure of food value chains themselves have important influences on the types of food available, and may be contributing to a greater influx of processed foods.

I will consider this emerging body of political economy work in terms of what it may lend to existing debates around food environments, and in particular the ways in which we measure the supermarket nutrition environment. With regards to supermarket food basket measures, it has been suggested that these need to be developed with a greater sensitivity to local food tastes and preferences (Beaulac et al., 2009). In the context of studying coastal communities in which fish has been a traditionally important food source, I will consider how we incorporate a greater concern for fish and seafood into supermarket nutrition measurements.

3:45-5:00 Ratana Chuenpagdee (Geography and CRC in Sustainability, Memorial University)

Ratana will briefly summarize and highlight key issues from the first day and lead a general discussion as part of a wrap-up session for Day 1.

7:30 p.m. Screening and Discussion of the documentary *The End of the Line*

Final Location TBD: Barb Neis' House (61 Prince of Wales Street) or elsewhere depending on attendance.

Day 2: Tuesday, April 13th

8:30-9:00 Assemble and Coffee

Session Chair: Charles Mather

9:00 -10:30 Stefano Ponte (Danish Institute for International Studies)

Greener than Thou: The Political Economy of Fish Ecolabeling and Its Local Manifestations in South Africa

Developing country governments and industries have been reluctant to support ecolabels, fearing their potentially protectionist effects. This reluctance has been countered by international organizations (such as FAO) and ecolabel initiatives with assurances of transparency, non-discrimination, and technical assistance. The analysis of the Marine Stewardship Council (MSC) label shows that developing country fisheries and small-scale ones in particular, have been marginalized. Furthermore, the MSC certification of the hake industry in South Africa illustrates that ecolabeling is sought in the context of competitive pressures and specific political economies, not simply on the basis of value-free science and systemic management. This article concludes that developing country producers need dedicated systems of standards and verification procedures, not only special flexibilities.

10:30-10:45 Nutrition Break

Session Chair: Erin Caruthers

10:45-12:15 Ahmed Khan (PhD Candidate, Department of Geography, Memorial University):

A Market Chain Analysis of Northern Gulf Cod Fisheries Pre- and Post-Collapse: Implications for Resource Sustainability and Economic Viability

This contribution uses a fish chain approach or 'ocean to plate' analysis to examine key market drivers affecting Newfoundland's Northern Gulf cod fisheries since their collapse in the early 1990s. The analysis is done in two time periods, a pre- and post-collapse cod chain, which focuses on issues relating to markets, i.e., harvesting, processing and marketing. Key amongst these issues are: (i) access to and allocation of raw materials, (ii) spatial scale of operations, (iii) harvesting and processing policies, (iv) supply chain organization, (v) social and economic networks, and (vi)

consumer preferences. I pay close attention to the interconnectivity between marine ecosystem dynamics and key target species, fleet size and fishing operations, cost and earnings, rate of return on investments, production value, processing requirements, quality control, traceability concerns, and the role of institutions, to deepen my understanding of seafood production and its implications for resource sustainability and economic viability. The analysis is based on a review of secondary data on predator-prey relationships; catch and landed value, compliance to regulations, price-setting mechanisms, markets, consumer preference, and trade flows. This approach is supplemented by insights from semi-structured interviews with sixty key stakeholders along the fish chain including fishers, processors, retailers, plant workers, brokers, managers, research scientists, policy makers, community planners, and policy analysts. Preliminary results indicate that the target species has shifted in the post-collapse world from cod to more high value shellfisheries which cater to a global market, with ecological implications for conservation, recovery strategies and backward bending supply (Copes, 1970). In the pre-collapse period, the cod fish chain was producer-driven characterized by high volume, low value production of mainly cod blocks for transformation into battered and breaded fish portion mostly for the U.S. market. The operational range of the post-collapse cod fish chain is shorter and characterized by poorer access to raw materials, lower catch quotas and production volumes, caused by stock collapse and two associated cod moratoria in 1994-1996 and 2003. The current cod fish chain has reversed into a more consumer-driven chain that produces high-value cod fillets and cod by-products, and caters to regional niche markets and local consumers. Present marketing concerns ranges from changing ecosystems and resource access, poor fish prices, global recession, competition from low cost fish producers, and changing consumer preferences. Based on these preliminary findings, I argue that the future economic viability of the Northern Gulf fisheries depends on the implementation of effective governance mechanisms for multispecies and ecosystem approaches, appropriate policy instruments such as information sharing, conservation incentives, shared stewardship, product diversification and eco-certification for better market access.

12:15-1:00 Lunch (Provided)

1:00-3:00 Panel presentation and wrap-up discussion

Session Chair: Ahmed Khan

Panel presenters will include Dave Vardy (Harris Centre), Carey Bonnell (Marine Institute), Angela Loucks-Atkinson (School of Human Kinetics and Recreation), Ted Moss (Postdoctoral Fellow, CURRA), and Barb Neis (Principal Investigator, CURRA).