

Cooperatives in small-scale fisheries: enabling successes through community empowerment



Cooperatives in the small-scale fisheries sector are a way of maximizing long-term community benefits to deal with the threats of fisheries mismanagement, livelihood insecurity and poverty – harsh realities for many of the world’s small-scale fishers. Communities with successful community-based organizations are better off than those without (Ostrom, 1990). Successful cooperatives are possible, feasible and desirable and play an important role in community development. Cooperatives have the potential to empower small-scale fishers against environmental and socio-economic shocks such as catch shortfalls, sickness and death in their families, natural disasters and hunger.

Latest estimates indicate that small-scale fisheries contribute more than half of the world’s marine and inland fish catches, most of which are used for human consumption. Small-scale fisheries employ more than 90 percent (33 million) of the world’s 36 million capture fishers, and another 107 million people in fish processing, distribution and marketing (Mills *et al.*, 2011); about 47 percent of these people are women. Although small-scale fishers supply most of the fish consumed in the developing world, many of them are extremely food-insecure and lack access to the resources and opportunities they need to lift themselves out of extreme poverty. FAO (2002) reports that 5.8 million small-scale fishers earn less than USD 1 a day. Women in fisheries are particularly marginalized.

The 2008 Global Conference on Small-scale Fisheries recognized that “while for historical reasons the term ‘cooperatives’ can have a negative connotation, it is generally accepted that cooperatives could improve the resilience and stability of fishing communities” (FAO, 2009). Cooperatives can: i) increase fishers’ price-negotiating power with market intermediaries, help stabilize markets, improve post-harvest practices and facilities, provide marketing logistics and information, and facilitate investment in shared structures such as ice plants and fish processing facilities; ii) increase market competition by setting up auctioning systems; iii) use their greater negotiating power to make cost-saving bulk purchases of fishing gear, engines, equipment and fuel and to advocate with government; and iv) facilitate microcredit schemes for fishers, to reduce their dependency on intermediaries and give them greater freedom in selecting buyers.

The following case studies show how fisheries cooperatives contribute to improving the conditions of small-scale fishers around the globe.¹

1 Additional information about some of the cases can be found at from www.equatorinitiative.org/.



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COOPERATIVES AND RESPONSIBLE FISHING

Cananéia Oyster Producers’ Cooperative in Brazil

The Cananéia Oyster Producers’ Cooperative (COOPEROSTRA) in Mandira on the southern coast of São Paulo, Brazil was created during the 1990s. It supported the community in establishing new rules and practices to reconcile oyster harvesting with the conservation of local mangrove forests and their high biodiversity. Cooperative members are allowed three harvests a year (Diegues, 2008) and receive twice as

much for their oysters as they received from market intermediaries. Before the cooperative was established, intermediaries dominated the oyster market chain and paid little attention to local regulations, sanitation and health standards for shellfish processing. Mandira’s oysters have enhanced appreciation of artisanal production, and the availability of high-quality local seafood has encouraged tourism.



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Women's role in cooperatives

The TRY Oyster Women's Association operating in 15 villages in the Greater Banjul areas of the Gambia,¹ and the Isabela Women's Association Blue Fish² in Ecuador illustrate women's role in cooperatives. Both cooperatives empower fisherwomen while promoting responsible fisheries by facilitating microfinance and access to appropriate equipment and technologies; setting higher standards

² <http://try-oysters.com>.

³ www.equatorinitiative.org.

Cooperatives in Mexico

Two associated cooperatives manage sustainable lobster fishing in Sian Ka'an Biosphere Reserve (State of Quintana Roo, Mexico), involving all cooperative members in resource management decision-making. Capacity building to strengthen local technology and practices has facilitated the responsible and equitable use of lobsters – the income base of the local economy. Achievements include a drastic decrease in illegal and environmentally destructive fishing practices; the introduction of well-defined, secure and dispersed lobster fields, improving the survival of the local lobster population; the practice of capturing live lobsters and releasing young lobsters and eggs; and the replacement of palm

tree traps with concrete cabins, reducing the local use of this endangered palm species.

Another Mexican success story comes from Tamiahua lagoon, where cooperatives receive concessions for their members to harvest resources (FAO&INFOFISH, 2008). Only selective fishing gears are allowed, to ensure the protection of habitats. Fishers deliver their catches to the cooperative, which selects and sorts the fish, lightly processing some species. Tamiahua fishers receive fair prices for their production and there are clear benefits for the cooperative and its members. During its 40-year existence, the cooperative has received renewable concessions for extracting resources from inside and outside the lagoon and for processing oysters.



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for the processing, packaging and marketing of value-added products; providing jobs for unemployed women, and sustainable economic alternatives for fishers; reforesting local mangroves and developing environmental awareness; providing policy guidance to government officials; and promoting the burning of destructive invasive tree species for smoking fish.

Achievements and challenges

Fisheries cooperatives have the potential to contribute to responsible fisheries, food security, women's empowerment and poverty eradication. Challenges facing cooperatives include the internal weaknesses of many organizations and the need for an enabling policy environment at the country level, to legitimize and strengthen cooperatives. Attention should be given to the following (FAO, 1990; Digby, 1975):

- **A collective decision-making process towards a common goal:** Members should participate fully in cooperatives' management decisions (including for such issues as vigilance against dishonesty and corruption, monitoring of the cooperative's performance, and the election of a board of directors). Strong leadership and a long-term common vision are essential, and rules that refuse membership to non-fishers have proved to be important.
- **Institutional response:** This is particularly important in supporting cooperatives' evolution from other forms of community association.
- **Enabling legislation:** Ensuring the right amount of government involvement is crucial (cooperatives have failed from having either too much interference or too little support). Government has a role in keeping a national-level database of up-to-date information on the numbers and types of cooperative, and evaluation reports on their performance. The scarcity of statistical and analytical overviews of fisheries cooperatives is a challenge that needs to be overcome.
- **Financial resources:** Profitability and the availability of sufficient funds for investment and working capital underlie success. This involves having adequate infrastructure, services and equipment and good financial management, including regular book-keeping, allowances for depreciation and replacement of equipment, and accountability.
- **Marketing issues:** Cooperatives need to have freedom to influence pricing agreements; a strategy for diversifying markets; the capacity to buy all their members' production, regardless of quantity or the market situation; management plans for coping with oversupply (such as by storing and processing products); a collective agreement that discourages the sale of fish outside the cooperative; and little or no competition with intermediaries.
- **Linkages among factors:** It is rare for a single factor to lead to success or failure. Factors are interconnected and interdependent.



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Recommendations

There is need for supporting mechanisms such as special policies and strategies that strengthen fisheries cooperatives. These measures should include capacity development to build strong leadership, minimize internal organizational weaknesses, fortify entrepreneurial skills, enter alternative markets, and improve the knowledge and expertise of members and leaders.

- **Fishermen and fisherwomen** can engage in cooperatives as a social self-help movement to empower themselves to deal with the problems of marginalization and poverty.

- **Donors and international agencies** can support the development of capacities of fisheries cooperatives based on their needs. For instance, they can act as facilitators in supporting the organization of cooperatives into different levels – district (sub-national) and national – and the linking of national-level cooperatives into regional-level networks. This process aims at enabling and strengthening cooperatives’ participation in global discussions and agenda setting. They can also support the establishment of microfinance schemes⁴ which are an important development tool for poverty alleviation (such as savings and credit cooperatives) (Katosi Women Development Trust and Uganda Fisheries and Fish Conservation Association, 2011). Inequalities between men and women regarding their access to and ownership of assets, income-earning opportunities, power relations and negotiation need to be addressed as a priority in fishing communities. Women’s access to productive tools is critical for increasing incomes, building self-confidence, improving mobility, raising women’s status in their families, and improving decision-making, all of which reinforce women’s role in fisheries cooperatives.

- **Government agencies**, through enabling legislation and policy development, can create strategies to stimulate cooperatives as a way of promoting better and fairer options for fishing communities. Concerted actions to make cooperatives’ infrastructure and services more easily accessible and effective for communities are crucial. Government policies for alternative markets for artisanal fisheries production and commercialization (such as institutional markets and fish fairs) and for rural credit can help empower fishers. Attention should be given to appropriate criteria for obtaining access to credit, otherwise these policies may have the unintended effects of increasing fishing capacity, intensifying overfishing and worsening the economic situation of fishers. Capacity development programmes for cooperatives are crucial to strengthening community leadership and should be implemented together with infrastructure and market policies adapted to specific needs and realities.

- **Non-governmental organizations (NGOs) and civil society organizations (CSOs)** can lobby for government and donors to support the creation and assistance of cooperatives through extension programmes. CSOs can examine ways of ensuring that the interests of poorer and marginalized groups are taken into account in decentralized resource management (FAO, 2005). Lessons learned and exchange programmes with other cooperatives could be provided, focusing on coping mechanisms based on an adaptive management approach. One option would be to create regional and global networks of fisheries cooperatives worldwide.

- **Researchers and scholars** can monitor and conduct research to deepen the understanding of successes and failures in the cooperative movement worldwide. Lessons can be drawn and disseminated on the best way to move forward and assist policy implementation.



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4 Microfinance is the provision of a broad range of financial services such as deposits, loans, payment services, money transfers and insurance, usually involving small loans.

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