
Meeting SDG14 - the Role of Trade and Seafood Value Chains

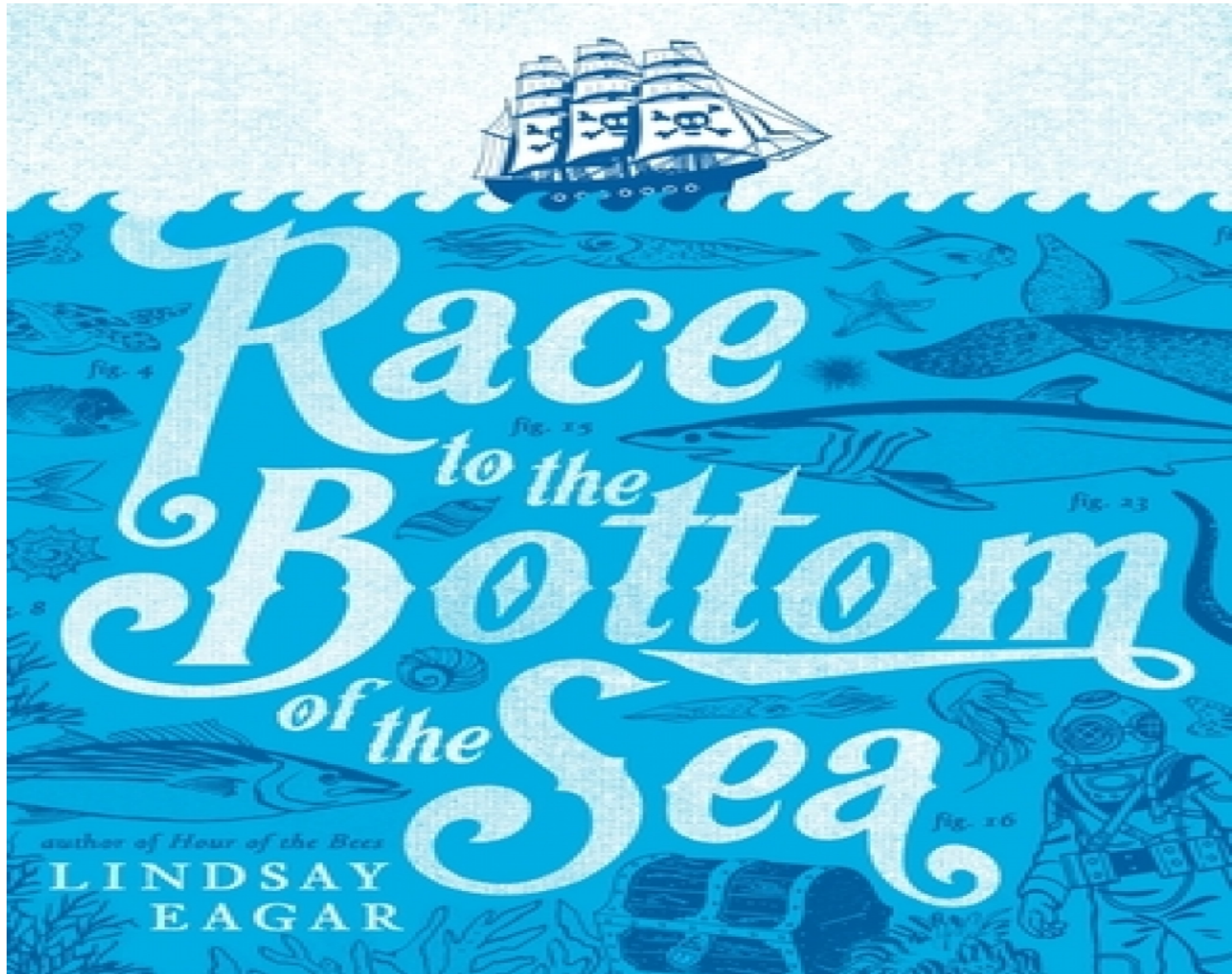
16 July 2018



The Commonwealth

Background Note

- Focuses on the economics...
 - 60 million people directly employed; 200 million direct and indirect employment opportunities occur along the fish and seafood value chain.
 - Major economic significance to CW members: LDCs, SIDS.
 - Major challenges if this sector remains overfished at unsustainable levels, coupled with other challenges...



Key Elements of GVC Analysis

- Why adopt the Global Value Chain Framework?
- **Economic Rents:** E.g. Access to Fisheries, VDS
- **Barriers to Entry:** E.g. Adherence to Private Standards
- **Governance Structures:** Power exerted by leads firms, £, \$, €'s
- Checklist of indicators and variables
 - Can be adapted to suit specific sectors/contexts
 - Goods & Services: intertwined, value added

The Big Question!

How to make GVCs more Sustainable?

The SDGs effectively strengthening global public policy
F/Ws

Seek to address governance gaps, public value creation

Requires private sector engagement



Integration of vertical and horizontal: linkages

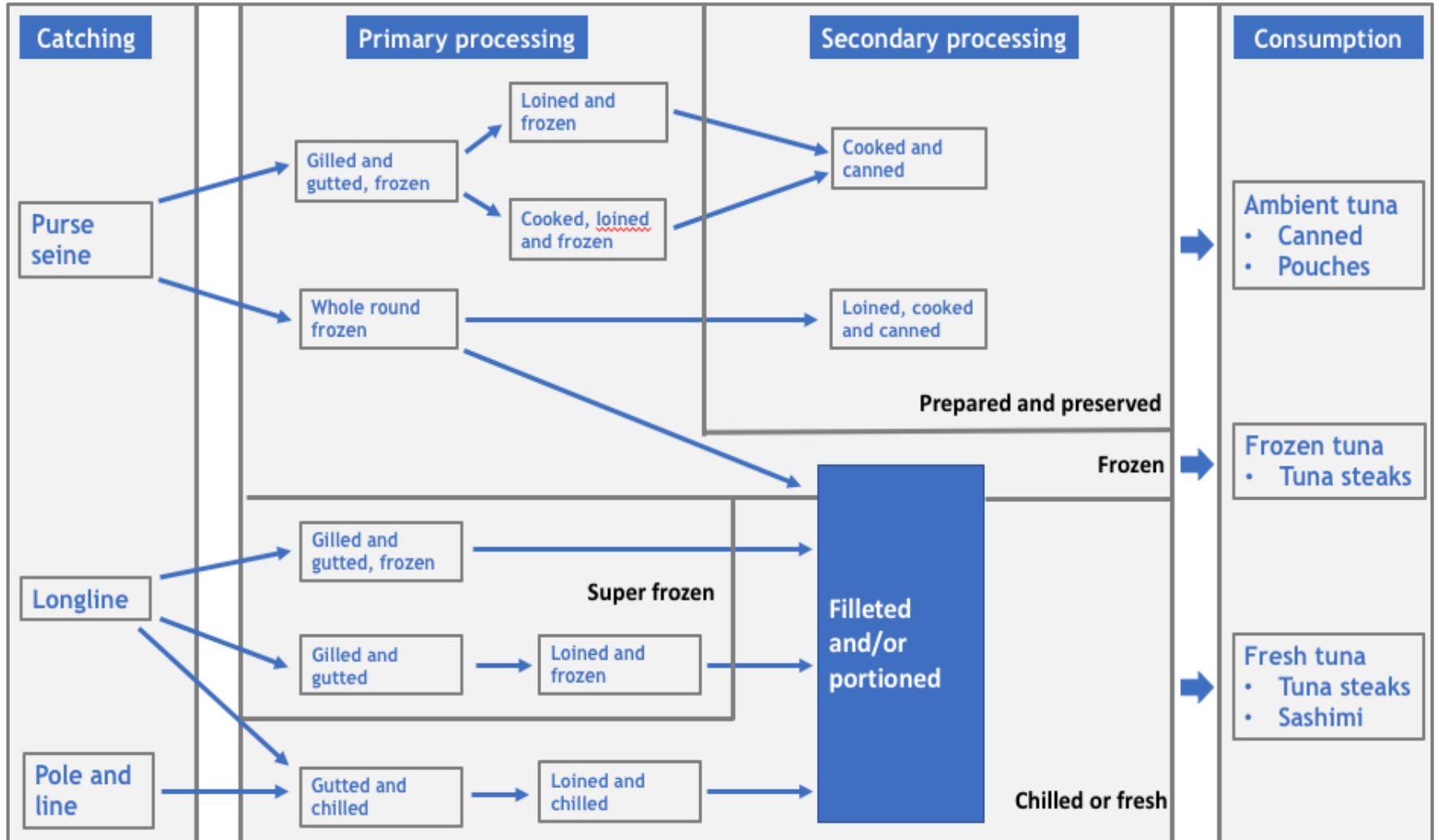
" Global value chain (GVC) studies reveal how firms and farms in developing countries are upgradedbut few explicitly document the impact on poverty, gender and the environment...

Or, in turn how value chain restructuring is in turn mediated by ... social relations and environmental factors.

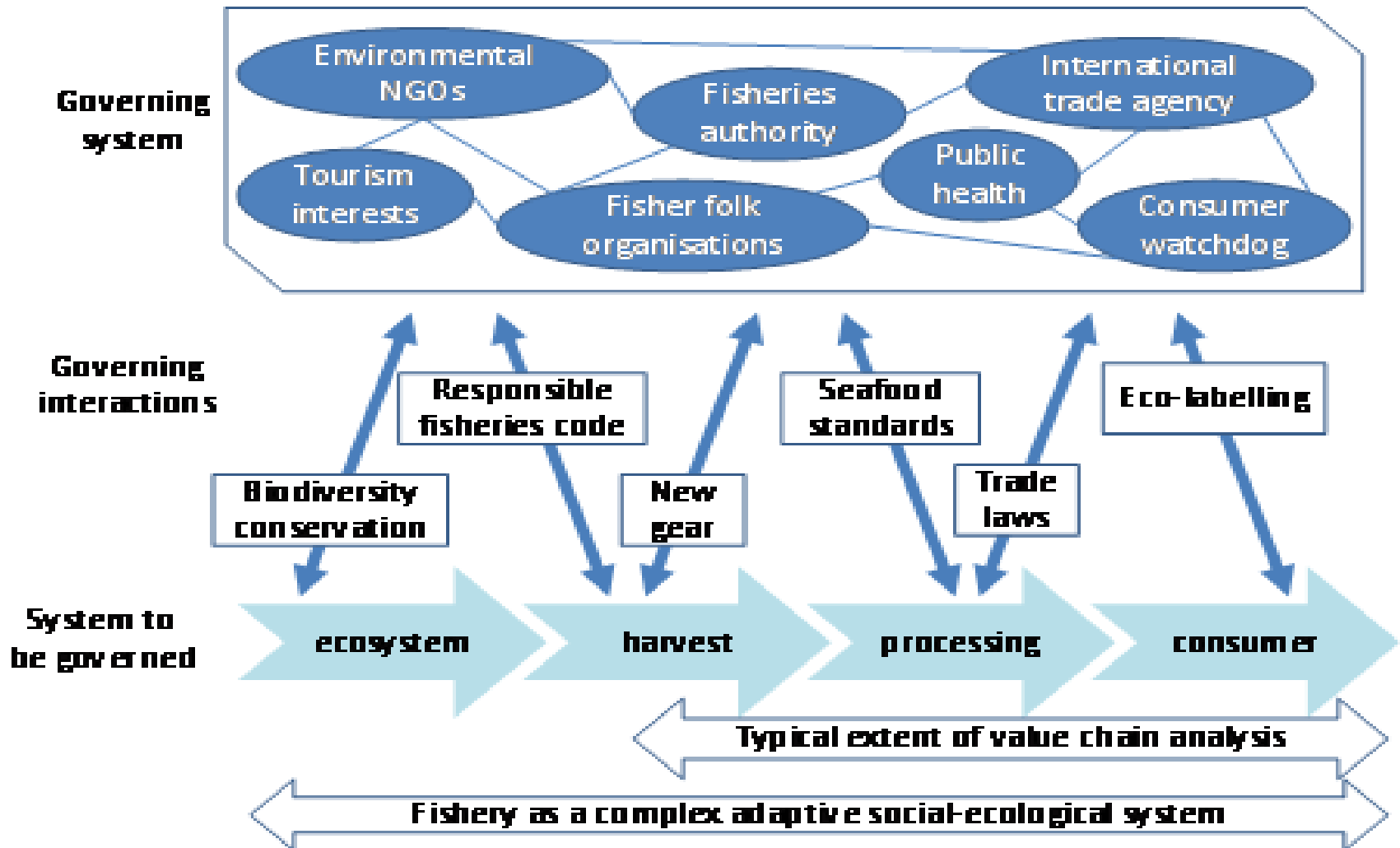
Need to integrate the 'vertical' and 'horizontal' aspects of value chains that affect poverty and sustainability.

- Source: Adapted from Bolwig et al., (2010).

Example of Tuna Value Chain

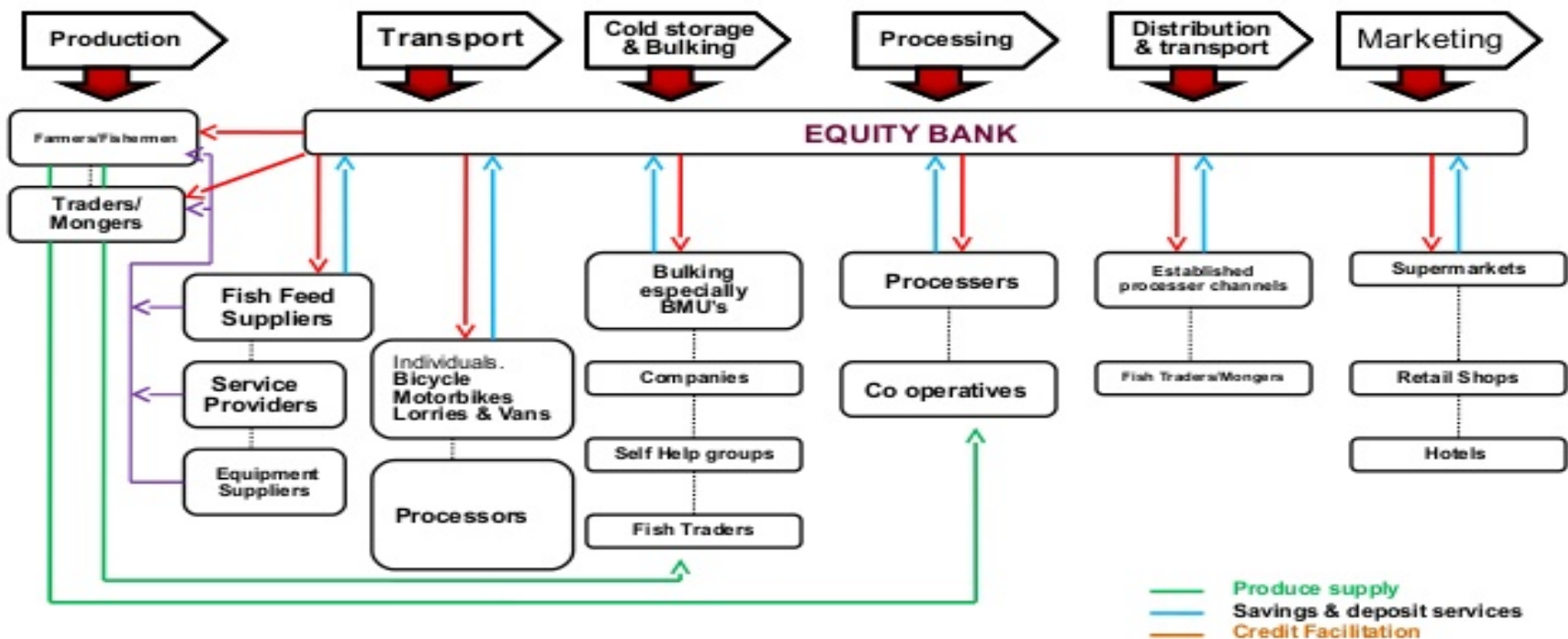


Governance of Value Chains



Linkages with Other Sectors

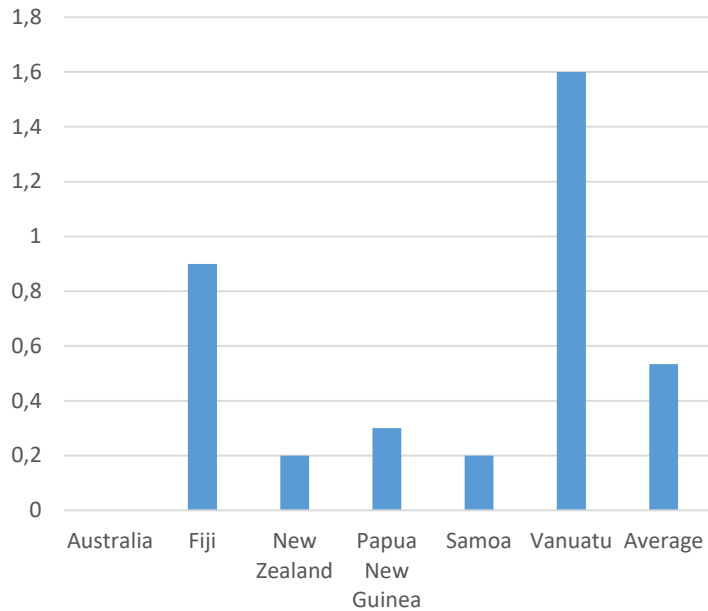
Flows within Fisheries Value Chain Financing



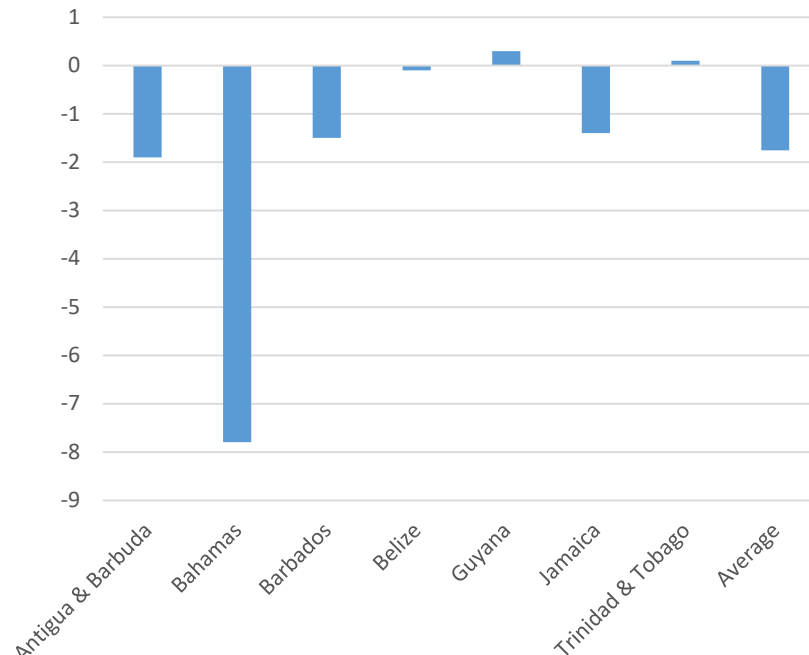
Quantitative GVC analysis: Shifts in Foreign Value Added

Figure 1 & 2: Shifts in total FVA (% point change) between 2000 and 2012 - Fisheries sector

Pacific Islands



Caribbean



Authors elaboration based on Eora-MRIO

Challenges...

- Obtaining data on shares of value added across actors is extremely challenging because the information is highly commercially sensitive.
- Aggregate trade data do not reflect the geographical extraction and movement of primary fish products.
- Primary fish products from the waters and ports of SIDS may not actually be registered as exports, as they are caught by vessels under foreign flags.
- Issues regarding at-sea transshipment are also largely unaccounted for.

Concluding Remarks

“SDG14.7 calls on the international community to increase the economic benefits to small island developing states (SIDS) and LDCs by 2030.”

The value chain framework, focuses on how value is created, who captures it, and why...

- **Multi-Chain upgrading:** regional, domestic chains...
- **Inter-sectoral upgrading:** linkages between the fisheries sector and other sectors, e.g. services... often underexplored!

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16 July 2018

