



Axis 4: A tool in the hands of fisheries communities



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To access the details of the FLAGS and projects mentioned in this Guide, please go to www.farnet.eu/guide7-links

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The benefits of local development for fishermen and fishing communities

In a relatively short period, Axis 4 has already shown that it can contribute to solving some of the main challenges facing fishing communities. In just a few years, it has managed to generate several thousand projects adapted to local needs and to bring a much needed dynamism to the local level. Axis 4 is first and foremost a tool that allows fishermen and fishing communities to take their future into their own hands. This publication looks at what this means in concrete terms for fishing communities in different parts of Europe.

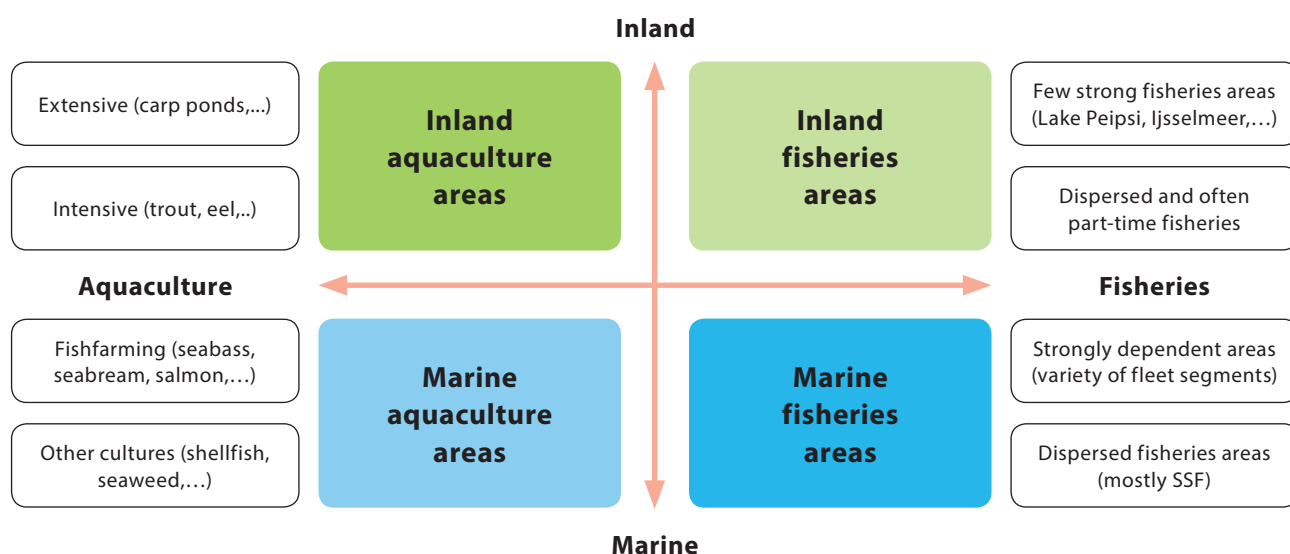
In particular, we look at how Axis 4:

- > Brings together fishing communities and strengthens their capacity to influence the key decisions that affect their future (1.1, 1.2, 1.3 and 1.4);

- > Increases income for fishermen and their families by improving the competitiveness of their products and supporting the creation of new sources of revenue (2.1, 2.2 and 2.3);
- > Opens up new job opportunities for local people by promoting entrepreneurship, innovation and the acquisition of new skills, and by harnessing the immense potential of blue growth (3.1, 3.2).

Throughout the publication there are many practical examples of how Axis 4 is being used to bring these benefits to fishing communities.

Graph – Different types of fisheries and aquaculture areas across the EU, many of which overlap



FLAGs – tailoring Axis 4 to the local situation

Fisheries Local Action Groups (FLAGs) are at the heart of Axis 4. These new partnerships, made up of both private and public sector actors, are set up at local level to assist in the sustainable development of fisheries areas. While the EFF provides a framework for their activities, the decision on where to focus their action, and the precise role the FLAG will play, is left to the local level.

The exact nature of this role will depend on the type of challenges faced by the FLAG area, challenges that usually depend on a variety of factors which are best understood by local people. These include:

- > the characteristics of the area (distance from important cities, growing or declining population, the local economy,...);

- > the type of fishing activities carried out (different fishing segments, gear used or scale of activity, aquaculture,...)¹ and the state of the sector (stable, in decline, disappearing,...);
- > the degree of organisation within the fisheries sector;
- > the presence/absence of other local development bodies;
- > the budget available to the FLAG and its human resources.

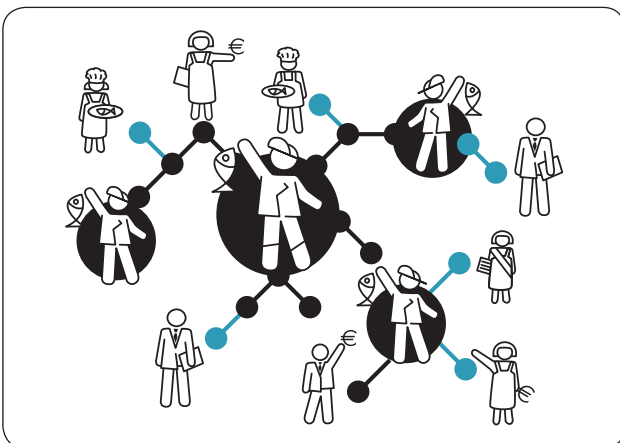
It is not possible to address all the different possibilities in this publication, but we do provide examples of some of the most important roles that FLAGs play at local level.

¹ See graph on different areas according to fishing and aquaculture types

1. Bringing fisheries communities together and strengthening their influence



1.1 Bringing together dispersed, isolated and divided communities



There is no such thing as a single European fisheries sector. The variety and diversity of activities linked to fisheries and aquaculture in Europe is such that there are a myriad of different segments and sub-segments.

The situation and the challenges faced by these different segments varies from sea basin to basin, from country to country and from region to region, depending on the type of fishing activities carried out, the local environment, and the level of interaction between fishermen, and with other stakeholders in the area.

An important role played by FLAGs in this context is to support the parts of the sector that find themselves either marginalized within their own communities, scattered across vast territories or in competition with other fisheries areas. In some cases, FLAGs have been able to work with existing fishing organisations to play a federating role between these dispersed communities, helping them to achieve the critical mass in terms of investment capacity, human capital and know-how for certain projects.

*Finland –
FLAGs as a lifeline between isolated fishermen*



In Finland, fishermen are often scattered across vast areas, which sometimes have population densities as low as 0.75 inhabitant /km square. Axis 4 has been instrumental in connecting these fishermen and helping them to look collectively at the opportunities available to them to sustain their activities and prepare for the future. FLAGs bring fishermen together and allow them to share limited resources in order to tackle common problems. By organizing study trips and effectively creating networks of fishermen in their areas, FLAGs have

initiated a process whereby fishermen can call on peers for expert advice and information on topics such as new fishing equipment and techniques or how best to handle and process their catch.

*Portugal –
FLAG Oeste working to overcome rivalries*



Rivalry between fishing towns and villages can be strong, and sometimes it can go back centuries. Today, however, the biggest threat for most fishing communities comes from competing uses of coastal areas, or other external threats to fishing activities. Old rivalries must, therefore, be set aside in order to ensure survival.

FLAGs can help fishing communities find new ways of working together to address some of these challenges. This requires much time and effort and **a local presence and platform to build trust between the parties concerned**. The ***FLAG Oeste*** in Portugal has, for example, managed to bring together representatives of the municipalities of Peniche and Nazaré, two important but rival fishing towns, to work on joint projects – something that would have previously been considered almost inconceivable.

Spain and Estonia – FLAGs as a federating tool



The region of Galicia (Spain) is one of the strongest in Europe in terms of its fishing activities. Being quite a remote area in terms of accessibility, the issue here is not the lack of organization of the sector, but more the fragmentation of fishing interests. The fisheries sector is organised via *cofradías* (cooperatives), whose membership is sometimes only 10-20 fishermen.

The Fisterra FLAG area, for example, has eight different *cofradías*, with most of its many small harbours boasting their own local cooperative and an associated auction. The remit of these *cofradías* is often very local (sometimes limited to only one small harbour) and they often compete with each other even though many face similar issues.

The FLAG, as a pan-territory organisation of which all the *cofradías* are members, is well positioned to bring these *cofradías* together around a few federating projects. The Fisterra FLAG, for example, is supporting a project that brings together a number of *cofradías* to jointly market their catch online. This is paving the way for improved collaboration and a more strategic approach to the future of the fisheries sector in the area.

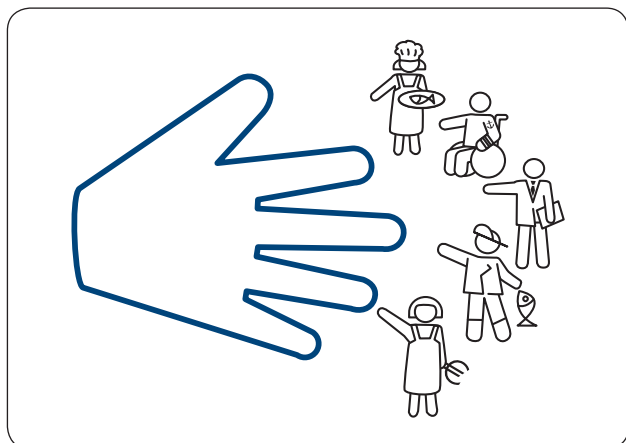
Lake Peipsi in Estonia is the largest inland fishery in Europe and probably one of the few places where fishing activities are carried out on an industrial scale in a freshwater environment. However, the situation in terms of fisheries governance on the lake is complex, with two different fishermen's associations which still do not even represent all the fishermen active on the lake.

The **FLAG Peipsi** is, therefore, the only institution which brings together all Lake Peipsi fishermen, without exception. This has helped to foster dialogue between the different fisheries stakeholders and given the FLAG legitimacy in the eyes of national authorities. In fact, the FLAG has been tasked by the ministry



of the environment with the implementation of a new vessel monitoring system (VMS), which requires all larger vessels to carry onboard GPS tracking technologies to allow for real time monitoring of fishing activities on the lake.

1.2 Reaching out to all sections of the community



Given the complexities involved in dispensing EU support to the fisheries sector, there is a risk that subsidies will only reach a limited number of beneficiaries, in particular those with the know-how and capacity to navigate the sometimes complex funding application processes. As local bodies, in close contact with

stakeholders, and providing direct support for project development, FLAGS can help to reach potential beneficiaries that would not normally have the network, knowledge or capacity to access funding schemes.

We see this, for example, in Galicia where FLAGS have played a key role in supporting women shellfish gatherers to take a more proactive role in the sale of their produce. In some areas, basic IT courses were organised, while in others a range of measures were supported, from training, to support for promotional activities, to investment in SMEs. This has helped shellfish gatherers to develop skills and experience in professional activities beyond the primary sector. Without the support of the FLAG, these shellfish gatherers are unlikely to have taken such initiative.

France – helping disabled fishermen to get back to work

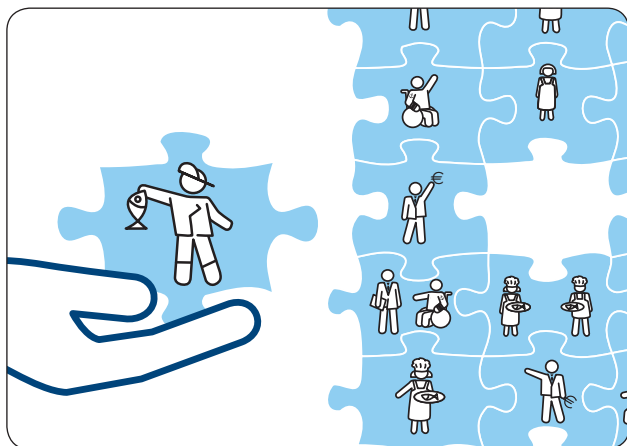


Fishing is recognized by the International Labour Organisation as one of the most dangerous professions due to the high rate of occurrence of serious accidents. Life after an accident can be difficult and the chances of finding work with a disability are greatly reduced. The chances of finding a job that one likes and that requires the skills of a fisherman are even slimmer.

The social enterprise, «*Atelier des Gens de Mer*» (“the workshop for seafarers”) aims to facilitate the reinsertion of disabled fishermen to the workforce and has already helped six injured fishermen back into jobs in fisheries and marine related activities, such as net mending, boat repair and maintenance. This has greatly improved the quality of life of these people, enabling them to get back to work in a familiar environment, while also allowing them to put their skills to use for the benefit of the community.

This close link FLAGS have with their communities is often cited as one of their main added values. A possible indicator of this is the fact that **a substantial proportion of local actors supported by FLAGS is benefitting from EU funding for the first time.**

1.3 Strengthening the position of the local fisheries sector



In many areas, primary activities such as farming, fishing and aquaculture are under pressure or in decline. These activities are, in particular, suffering from market competition, which is increasingly globalized, from the rise in input costs, be it fuel, feed or labour, and from unstable and often low selling prices.

This trend often leaves the primary sector marginalized within territories where it has traditionally been the backbone of the community and the local economy. However, these territories have much more to loose from the disappearance of these primary activities than is sometimes realised. They are often

inextricably linked to the area's identity and are a vital part of its image, thereby contributing to the local economy in ways that go well beyond their direct economic impact.

Indeed, **the attractiveness of many coastal and rural areas is linked to the presence of busy harbours or working farms.** However, because of their declining economic importance, and the rise of other activities such as tourism and energy production, many primary producers are finding it hard to survive.

Axis 4 is helping to safeguard the position of primary producers in their territories, not only by reinforcing the economic role of these sectors but also by creating new linkages with other actors in the territory. Communities can also decide at local level to establish rules to ensure that their primary activities are safeguarded and remain at the heart of their territories, as seen in the example below.

The Stockholm FLAG – rediscovering fishing on the doorstep of the city



Stockholm, the beautiful capital of Sweden, is at the heart of an archipelago of more than 20 000 islands. The presence of the capital in this idyllic environment has resulted in the closest islands being developed as attractive residential areas, while islands located a bit further away in the archipelago are also home to some coveted second residences. Farmers and fishermen were once the only inhabitants of the most remote islands but the few remaining fishermen who still live there now feel isolated and marginalized in this increasingly affluent area.

The **Stockholm FLAG** is, therefore, helping local fishermen to reconnect with the area in which they live by promoting and marketing their catch right in the heart of the city. During the summer of 2012, a **fishermen's market** was set up in the historic centre of Stockholm, where fishermen could sell their catch and promote their local products and their way of life. The event was so successful that it was decided to investigate the possibility of setting up a permanent market.

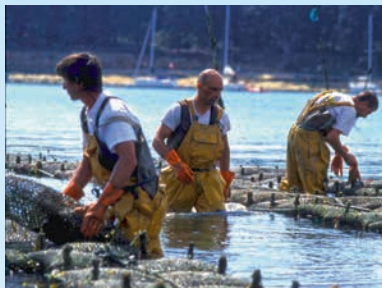
Andalucía – strengthening the image of fishing in a popular tourist destination



In Andalucía (Spain), there is a strong fishing heritage and tradition, with tuna fisheries having played an important role in the life of the region for centuries. The **FLAG Cadiz Estrecho** has helped the local fisheries sector by supporting several projects aimed at integrating the region's fisheries tradition into its future development strategy.

A **tuna route** (touristic tour based around tuna fishing traditions) has been developed, for example, along with a gastronomic and tourism fair focused on traditional fisheries products. Local bars and restaurants have also received support to enhance the presence of local products on their menus. This has been backed up with investments in territorial branding (signposting, sculptures...). Together, these actions have helped to highlight the importance of the fisheries sector to the region, while also reinforcing its attractiveness for tourism activities.

***The Pays d'Auray FLAG –
an attractive coastal area striving to maintain its primary sector***



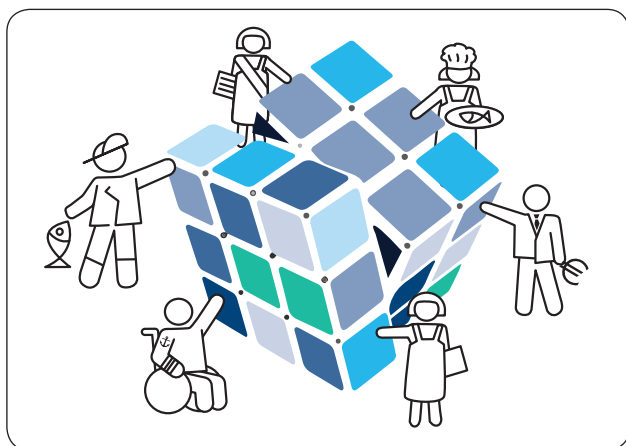
The area of the ***Pays d'Auray FLAG*** comprises some of the most beautiful and coveted parts of Brittany's coastline. In some places, such as the peninsula of Quiberon, secondary residences account for 60% of the total housing stock. The population of Quiberon increases tenfold during the summer months, from 5 000 inhabitants to over 50 000. Faced with the overwhelming presence of the tourism industry, local fishermen and oyster farmers are finding it difficult to maintain their place within the territory.

Families of fishermen are, for example, being forced to move further and further away from the sea in order to find affordable housing. Traditionally, oyster farmers would own a house by the water where the ground floor would be used as a working area while the upper floors would be used as the family accommodation. Given the water front location of these houses, they can easily command up to EUR 1 million on the secondary residence market, while the sale of such a property as an oyster business would fetch about one-fifth of this.

This situation has led many farmers close to retirement age to sell their property for use as a second residence. The consequences have been dramatic, with the number of oyster farms declining rapidly and with young people unable to enter the profession. Because of this, support to the fisheries and aquaculture sectors, and the strengthening of the maritime identity of the area, have been identified among the four key priorities of the FLAG strategy.

The FLAG has, for example, supported the regional shellfisheries committee in its endeavors to restrict the conversion of oyster farms into secondary residences and other developments. It has been instrumental in generating support for a shellfish farming charter, "charte conchylicolle", which now regulates any such conversions and provides guidelines to all members of the committee. The FLAG has also supported the carrying out of a study to assess the socio-economic importance of shellfish farming and the consequences for the territory of its gradual disappearance.

1.4 Giving fishing communities an entry point to decision making



Given the amount of time fishermen have to spend away from home, it is difficult for them to get involved in local or wider debates on the different policies that affect them. However, these policies have an important impact on their businesses and having a seat at the negotiating table is essential to ensuring that fisheries interests are taken into account. The FLAG, which brings together representatives from both the public and non-public sectors, can help the fishing sector overcome this issue and create the necessary links to the local and even wider decision making processes.

The Marennes Oleron FLAG (France) – ensuring a role for fishermen in a Marine National Park (MNP)

The design process of the MNP in the Gironde Estuary and Charentais Straits followed the area's designation as a Natura 2000 site. Between October 2009 and December 2010, thirty working groups involving 150 people representing the various activities, industries and associations active in the area, and concerned by the MNP, were held to define stakeholder positions and present them to the "Comité de Concertation" (Advisory Committee).

Fisheries stakeholders, represented by the three Regional Maritime Fisheries and Aquaculture Committees ("CRPMEM") in the area, were actively involved in this consultation process. However, to reinforce their participation, guarantee a permanent presence at the planning meetings, and ensure fisheries voices were not only heard but also understood by non-fisheries stakeholders (scientists, NGOs, society representatives), the CRPMEM of Poitou Charentes introduced an **Axis 4 project** to recruit a mission coordinator for a one year renewable contract.

The coordinator, with both scientific knowledge and field experience in the fisheries sector, represented local fisheries interests in all Advisory Committee meetings, ensuring a strong representation when binding decisions were taken. Her mission was also to proactively inform the key fisheries stakeholders, on an ongoing basis, about the process, summarizing the technical information arising from these meetings and communicating this to the fishing organisations and individuals concerned.

The FLAG Pays d'Auray as an entry point to local decision making

The FLAG Pays d'Auray is managed by the Auray “Pays”, a local administrative structure, which seeks to ensure balanced economic, social and cultural development. The Pays is responsible for a territorial planning strategy known as a SCOT, one objective of which is to address the issue of urbanisation along the coast, and because of the Pays’ role in also managing the FLAG, the fisheries sector has a prominent role in the decision making. This has ensured that fishing and aquaculture interests have been taken into account in important land planning processes, such as preventing urbanization near shellfish areas and keeping water quality issues high on the local agenda.

This access to local decision-making is especially important in the context of a recent re-organisation of French fisheries governance, which resulted in the disbandment of the Local Fisheries Committees and the creation of larger administrative units, the County Fisheries Committees. Because of this, local fisheries bodies lost many of the connections they traditionally had with municipalities and other local actors. The presence of the FLAG has, therefore, helped to restore this local relationship.

French and German FLAGs – influencing national decision making



On a wider level, Axis 4 in France has helped create a platform to discuss and work with the different administrations involved in the regulation of safety onboard (Transport, Maritime Affairs,...) to adapt the legislation to allow for the practice of pesca-tourism (i.e. hosting tourists onboard fishing boats). This was previously forbidden, mostly on the grounds of health and safety concerns.

The Var FLAG supported a project (see the pesca-tourism project example on the FARNET website) that was instrumental in demonstrating the feasibility of this type of activity and the related benefits for the sector in terms of income diversification. **Thanks to this project and pressure from other French FLAGs, the relevant regulations were modified to allow pesca-tourism in France.**

The German FLAG network is spearheading a similar campaign in Germany, to allow professional fishermen to host tourists on their boats and, therefore, supplement their income, especially during the summer season. A common position of the German FLAGs was presented to the relevant administrations and the expectation is that the national laws could be adapted in the near future.

2. Increasing income for fishermen and their families by improving the competitiveness of their products and supporting the creation of new sources of revenue



2.1 Facilitating access to the European Fisheries Fund and other support



In many places, FLAGs have been instrumental in preparing and piloting projects, which were then able to attract much higher levels of funding via the other Axes of the EFF (Axis 1, 2 or 3), or via other funding mechanisms, such as the European Regional Development Fund (ERDF) or the European Social Fund (ESF), for example. **By having staff based locally, the FLAG is close to stakeholders and well positioned to identify and support those individuals who would like to move forward with a project idea.**

2. Increasing income for fishermen and their families by improving the competitiveness of their products and supporting the creation of new sources of revenue

Depending on the nature of a project, its fit with the FLAG strategy, and the size of the investment required, the FLAG can decide to either finance a project itself or it can help the project promoter to find financing elsewhere. In doing so, the FLAG helps to match needs at local level with potential funding streams from the national or EU level.

The FLAG can not only help to ensure that programmes respond to local needs, but it can also help local promoters to better understand and comply with the administrative requirements of these funding schemes, requirements which can sometimes be daunting for local stakeholders.

Finland – FLAGs paving the way for EFF Axis 2 investments



In Finland, for example, the *Kainuu-Koillismaa FLAG* has supported a cooperation project between fishermen, aquaculture farms and processors to set up a jointly owned fish handling centre where the local catch is frozen, stored and processed (see the *project example* on the FARNET website). This project was developed using seed capital from Axis 4, mainly to cover the costs of feasibility and marketing studies, but the FLAG was also instrumental in securing the funding necessary to build the unit (€2.7 million from local public funds and EFF Axis 2, plus private match funding).

By organizing fishermen and their production in this way, the FLAG has, therefore, helped to ensure funding programmes respond to local needs, helping local fishermen become a reliable partner for distribution chains, securing direct contracts and gaining better control over pricing. Those involved have since reported an increase in sales of 20-30%, however without the FLAG, local stakeholders would have faced many difficulties to present and develop such a project.

2. Increasing income for fishermen and their families by improving the competitiveness of their products and supporting the creation of new sources of revenue

Estonia – FLAG support for investment in harbour infrastructure



Estonia has followed the route of using Axis 4 money directly for larger scale investments. The fisheries sector here lands at a multitude of small harbours and landing places, most of which date back to the Soviet era and have not seen any investment for many decades. Given the large number of these sites, the fact that they are privately owned, and their extremely poor state of repair, the government itself did not have the possibility to decide which facilities should be given priority. It therefore decided to task the FLAGs with the respon-

sibility of identifying and supporting those landing facilities that needed modernization based on consultation with fisheries and other local stakeholders.

As a result, Estonian FLAGs have received a substantial budget and many of them have spent more than 60% of their allocation on investments in harbours and landing sites. This type of investment is generally supported under Axis 3 of the EFF but in this case the government felt that the FLAGs, as locally based associations, were better placed to identify and achieve an agreement on the sites that had the most potential.

France – FLAGs as testing grounds for larger scale investments

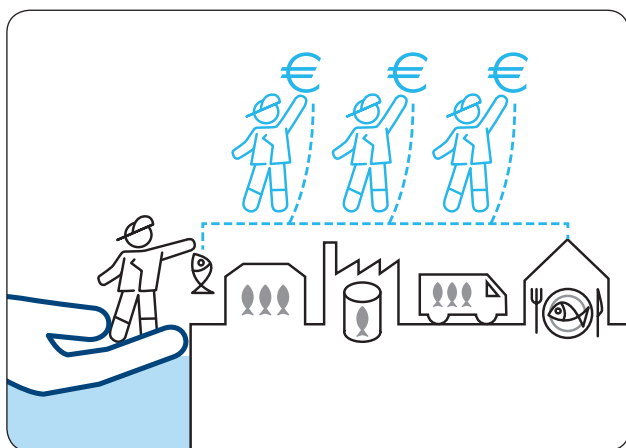


With around EUR 1 million to spend for the entire funding period, French FLAG budgets are at the lower end of the spectrum (the EU average is around EUR 3 million per FLAG). Despite this, French FLAGs have managed to turn this weakness to their advantage, choosing from the outset to focus on smaller projects that can have a multiplier effect, while limiting larger direct investments.

In effect, the FLAG budget is used very much as seed capital, to generate and develop ideas and support potential projects in their early stages. This has included, for example, viability studies to commercialize new fisheries products or underexploited species, including a study into setting up a system for recovering, grinding and distributing scallop shells for use in agriculture as fertilizer, another into the possible exploitation of invertebrates present in the “trois estuaires” area and another study in Arcachon on the feasibility of converting oyster sheds for touristic use.

2. Increasing income for fishermen and their families by improving the competitiveness of their products and supporting the creation of new sources of revenue

2.2 Strengthening the position of fishing communities in the supply chain



By supporting collective actions, adding value processes, or by developing new marketing initiatives, FLAGs can help to improve the sales environment for local fishermen. For example, the German ***"Fish from the Boat" project*** has made good use of new technologies to reconnect local fishermen with their local market through a website that is updated in real-time with information on catches so consumers can buy directly from local boats as fish is landed. This has renewed consumers' relationship with the local fisheries sector and gets fishermen significantly better prices for their catch (from EUR 1per/kg to EUR 4 or 5/kg).

Despite the fact that the EU is the world's first market for seafood, many fishermen in Europe have difficulty selling their products. Low prices, competition from imports, and changing eating habits and tastes, all make it difficult for fishermen to sell their fish at a reasonable price. In this context, FLAGs can provide a bridge for primary producers to help them improve their position in the supply chain.

Denmark – supporting adding value processes on remote islands



On the Danish island of Læsø, a local fisherman used Axis 4 to invest in developing a new range of products based on an undervalued species – the ***weever fish***. By adding value to this local resource, and in turn creating an "iconic" product, he has also encouraged more people to discover this fish, and the island itself.

2. Increasing income for fishermen and their families by improving the competitiveness of their products and supporting the creation of new sources of revenue

The Netherlands – a new outlet for local fresh fish



Before they benefitted from Axis 4, the harbour towns of Texel, Den Helder and Den Oever had been in decline for a number of years. During the fishing season, the only activity was the auction, where locally landed fish were sold directly to wholesalers and big fish companies. The need to restructure the local economy, generate new opportunities, and reconnect the general public with the fisheries heritage of the area, were, therefore, considered vital to ensuring the survival of these communities.

With this in mind, the **Noord Holland FLAG** supported and facilitated cooperation between the markets in the three municipalities in undertaking structural investments (facilities to sell fish to the general public and an education centre) and in jointly developing a website (www.versevis.nl) and other promotional tools, including flyers, displays and information points.

These local markets are now selling over 250 tonnes of fresh fish annually and have a turnover of EUR 1.3 million, injecting much needed cash into the local economy and providing a new distribution channel for local fishermen.

Galicia (Spain) – a new range of local products

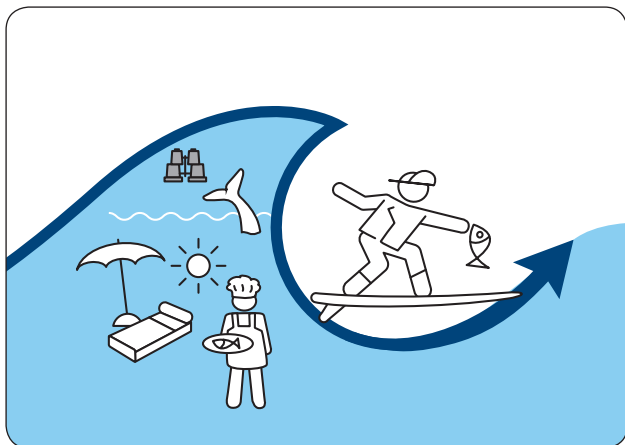
Up until recently, the shellfish gatherers of Baiona and A Guardia (Galicia) only sold their barnacles through auctions. As well as the top quality and highly prized barnacles, significant quantities of the smaller size barnacles were collected to ensure space for the larger ones to grow. However, these small barnacles were sold at a very low price.

In 2005, a group of women and men from both areas started to look for a solution to this problem. They created a company called **Mar de Silleiro LTD**, which brought together 27 barnacle pickers. Recognising the limitations of selling only fresh barnacles, they developed the idea of preserving barnacles, mainly the smaller, less valuable ones, and introducing new processed products to the market.

In addition to the increased income generated by the sale of these new products (several thousand cans have already been sold), the project has also had a wider impact in the community, providing new employment opportunities, contributing to the local economy, and boosting the confidence of the community in its future. Mar de Silleiro was also recently approached by distributors from the USA, China, Mexico and the United Arab Emirates.

The support of the local FLAG and Axis 4 was instrumental in launching and internationalising the different products produced by Mar de Silleiro, as well as in setting up the local processing facilities.

2.3 Ensuring fishing communities benefit from local economic development



Many fishing communities are like sinking islands in a rising sea of tourist, residential and other local economic activity. A cornerstone and innovative element of the Axis 4 approach is to gather these different stakeholders around the table in order to generate a new dynamic and encourage new thinking about how these different economic sectors can interact at local level in order to achieve mutually beneficial outcomes.

This is why it is so important that the composition of the partnership of FLAGs reflects the wider socio economic landscape of their area and is not made up solely of fisheries representatives, even if they remain central to the work of the FLAG. These **wider partnerships allow the fisheries sector to benefit from the dynamism generated by other sectors active in coastal areas**, such as tourism, hospitality, water-based leisure activities, renewable energy production.

For example, fishermen can gain access to lucrative tourist and residential markets while, as we saw in the last section, other sectors can benefit from the more authentic, wild image of fishing. In addition, the fisheries sector can become stronger by securing a local support base through privileged contact with local entrepreneurs, financiers, politicians, potential customers and partners, for example. In short, by looking at the different possibilities and assets in their territory, fishermen can become less vulnerable to an ever fluctuating natural resource.

2. Increasing income for fishermen and their families by improving the competitiveness of their products and supporting the creation of new sources of revenue

Galicia (Spain) – collaboration around the promotion of local fisheries and maritime assets



In Galicia, one of the main added values of FLAGs has been to open up the fisheries sector to the wider community, leading to new ways of thinking and new opportunities for local economic development. A group of Galician FLAGs, led by the ***Fisterra – Ría Muros – Noia FLAG***, have teamed up to develop a web based platform to provide a one stop shop for activities linked to the fisheries and maritime economy.

The website, “***Mar Galaica***”, hosts information on restaurants selling local seafood, pescatourism, local accommodation options with a special maritime theme, and walking routes that wind through local fishing harbors and villages.

The “la posada de Lolo” project perfectly illustrates how the fisheries sector can benefit from this type of activity. This project was developed by the wife of a fisherman, who refurbished a traditional stone house to create accommodation and a high quality seafood restaurant in the town of Muxia (Galicia).

The restaurant also has an experimental kitchen for the development of new and exciting dishes, and facilities to host cultural and artistic events. The project, supported by the ***Costa Da Morte FLAG***, has helped to diversify the income of a fisherman’s family, while also promoting local seafood products and thereby strengthening linkages with the tourist and hospitality sectors.

Denmark – ensuring year round demand – and supply – for local fish products



Hune, a small town of 3 000 inhabitants, is one of the top five tourism destinations in Denmark, with visitors from all over Denmark, as well as Norway, Sweden and Germany, attracted by its beautiful beaches.

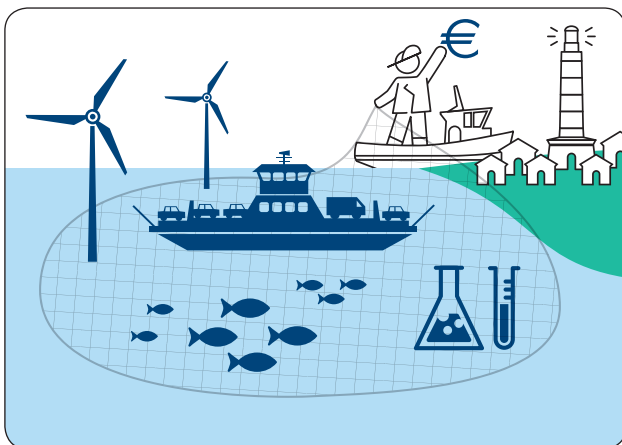
However, despite having a good tourism product, Hune lacked restaurants and shops selling high quality fish products. The ***FLAG North Jutland***, therefore, supported a former mobile fishmonger to develop a ***multi-functional space*** that includes a 30-seat restaurant, a smoke house and processing unit, and a fish shop. Around 70% of

the products processed and served in the restaurant are now sourced locally and six permanent, full-time jobs and 14 seasonal full-time equivalents have been created.

3. Harnessing the potential of blue growth



3.1 Ensuring blue growth brings jobs and income for local people



The fisheries supply chain is a vitally important, but still relatively small part of the vast “ocean” that makes up the blue economy. According to the European Commission, 5.4 million people work in activities that depend on the sea², with 190 000 of these employed in fishing and another 220 000 in other parts of the

fisheries value chain³ (processing, aquaculture and ancillary services).

EU Commissioner, Maria Damanaki, estimates that the blue economy as a whole has the potential to create over one and a half million new jobs and contribute over a hundred billion more euros to the European economy by the end of the decade⁴.

So, while doing everything possible to defend and create jobs in the fisheries sector, it also makes sense for FLAGs to help fishing communities to connect with this tide of blue growth and ensure that it brings tangible benefits for local people.

² Blue Growth. Opportunities for marine and maritime sustainable Growth. EC. Brussels. 13.9.2012 (COM) 2012 494 final

³ Perspectives for the New EFF. Study DG Internal Policies. EU Parliament. August 2011. IP/B/PECH/IC/2010-157

⁴ Europe in the Global Maritime Economy. Speech by Maria Damanaki. 7 Feb 2013. Euromaritime Fair Paris.



However, the role that FLAGs can play in relation to the powerful emerging sectors of the blue economy is not always clear. The investment in physical capital and research and development associated with blue growth is often so large that the key decisions are taken at national or even transnational level. This can lead many public administrations to feel there is no place for small, local partnership with roots in a traditional sector like fisheries.

FLAGs are showing that this kind of thinking is a mistake, which at best can lead to lost opportunities and, at worst, can actually harm the environmental and social capital of Europe's coastal areas.

The European Commission has identified a non-exhaustive list of five key sectors or clusters of activity associated with blue growth, all of which are at different stages of maturity: tourism, aquaculture, energy, biotechnology, and deep sea minerals. Some of these activities are clearly harder to access at local level than others, but FLAGs are exploring different roles in relation to the first four activities, as well as other emerging sectors.

The giant of the blue economy is **maritime, coastal and cruise tourism**, which already employs 2.35million people across Europe⁵. As coastal areas already receive around 63% of all European tourist visits, the challenge is not so much about further development, but about ensuring that benefits accrue locally.

In fact, in many coastal areas, uncontrolled speculative tourism development has caused irreparable damage to the natural environment and left an unstable pool of low paid temporary jobs for local people. So the challenge for many fisheries areas is to get this tourism giant to change direction so that it provides more stable and better quality jobs and income, by building on natural and cultural heritage rather than destroying it.

Some examples of sustainable tourism initiatives benefiting local fishing communities are presented in section 2.3 above.

⁵ Blue Growth. Opportunities for marine and maritime sustainable Growth. EC. Brussels. 13.9.2012 (COM) 2012 494 final



Another much smaller but well established sector of the blue economy is **aquaculture**, which currently employs around 80 000 people in the EU⁶. Nearly 90% of world aquaculture is concentrated in Asia, where output is growing at over 6% per annum. Despite its long tradition and historical roots in many fisheries areas, the sector is stagnant or even in crisis in most parts of Europe.

However, the European Commission believes that there is potential for growth in aquaculture and has made “smart, green aquaculture” a priority for the next funding period. FLAGs have carried out a series of small scale actions which could help to deliver on this potential.

In Denmark, for example, two Danish FLAGs (*Bornholm* and the *Small Islands*) are actively supporting local stakeholders to develop *seaweed cultivation* projects, while another Danish FLAG (*Slagelse*, in the western part of Zealand) is looking at other aquaculture opportunities, notably the breeding of cockles and mussels in open water.

In Spain, the *Huelva FLAG* is helping to improve the sustainability of the local aquaculture sector. It supported a project aimed at *using local fish waste*, combined with waste bread gathered from local bakeries, to produce fishmeal. This led to a 50% reduction in feed costs for a local fish farm and to reduced waste disposal costs for the local municipality.

A newer but rapidly growing segment of the blue economy is **blue energy**. Offshore wind farms employed 35 000 people in 2011 and this is expected to grow to 170 000 jobs by 2020. As with tourism, wind farms can enter into competition with fishing and damage the local environment, so, once again, **the challenge for FLAGs is to ensure that local stakeholders have a say in decisions about developments in their area and that these developments bring benefits to local communities.**

The FLAG located on the island of *Bornholm*, in the western part of the Baltic Sea, has, for example, supported the conversion to renewable energy fueled heating systems in two small harbours. The FLAG supported the installation of “ocean heat” pump systems, which use the difference in sea water temperature to provide heating for facilities in the harbours, such as toilets, harbor offices and bathrooms, as well as providing hot water for the users and guests of the harbours.

⁶ Blue Growth. Opportunities for marine and maritime sustainable Growth. EC. Brussels. 13.9.2012 (COM) 2012 494 final

Blue biotechnology is still the baby of the blue economy, with a gross value added of around EUR 0.8 billion, focused mainly on high value niche products for the health, cosmetics and industrial biomaterials sectors. However, by 2020, the Commission expects that it will have grown to a medium sized market, and in 15 years it will have developed into a provider of mass market products, together with a range of high value added speciality products.

FLAGs provide the opportunity to bring together the local knowledge of fishermen with the expertise of scientists and the dynamism of local entrepreneurs to explore and launch products in this field.

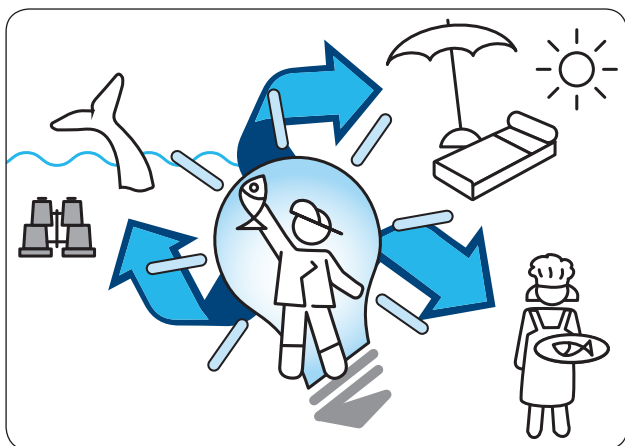
In Portugal, for example, the “caranguejo pilado”, or Henslow’s swimming crab, is an abundant species, commonly caught in the nets of seine fishermen, but subsequently discarded as it holds no commercial value. And yet, this species is believed to be a source of some valuable biological compounds, such as chitin and astaxantin.

Recognising this potential, and with the support of the Oeste FLAG, the Polytechnic Institute of Leiria has set up a ***pilot study*** to assess the potential of Henslow’s swimming crab as a source of these compounds. The study, which is being undertaken in partnership with fishermen, bio-medical companies (CERAMED/ALTAKITIN) and other research institutes will help to define the extraction processes and the distribution channels.

An overabundant crab population has already been exploited in the Lymfjord area (Jutland, Denmark) to develop a ***new product*** that is used as a condiment and flavor enhancer. The ***FLAG Middle and North Jutland*** has assisted the CARNAD company in conducting initial market research as well as in purchasing the technical equipment needed for processing. This project has provided local fishermen with a new source of income, while also creating a new product range which is exported as far away as Japan.



3.2 Opening up new job opportunities by promoting entrepreneurship, innovation, and the acquisition of new skills



While the fisheries sector in some areas is under threat from other emerging economic activities, considerable potential also exists to take advantage of blue growth opportunities. Other areas, however, are rapidly losing both people and jobs. These areas range from small remote fishing villages to Europe's larger ports, which are suffering from some of the biggest job losses in the fishing supply chain.

The local stakeholders in these areas will obviously do everything they can to defend and improve existing activities but it would be short-sighted not to try to develop new alternative sources of income and jobs at the same time.

In fact, supporting entrepreneurship, new start-ups and investment in new activities is one of the core functions of FLAGs. The ***FARNET guide on diversification*** contains many examples of the kinds of activities promoted so far – ranging from the maritime sectors closest to fishing, to far wider land based activities, such as the creative industries and local social and other proximity services.

There are a number of ways in to support the creation of new economic activities and sources of income, but to be successful **FLAGs must adopt a proactive approach to changing attitudes and nurturing a culture of innovation and entrepreneurship.**

The classical approach is to support new start-ups and investments in promising local sectors. In fact, the range of entrepreneurial projects supported by FLAGs is extremely wide, varying from fish smoke houses to integrated local fish sales outlet or fisheries-based tourism activities.





Some of these projects are also testing innovative new products, services and processes. For example, going further than just the primary production of seaweed, the **Bornholm** and **Small Islands** FLAGs mentioned above are looking at supporting a whole value chain developed around this new raw material. Innovative new products developed locally comprise seaweed-based crisps, salads, wine and oil, but the most successful item in the product range is probably the **seaweed based ice cream**, which is produced on the island of Skarø (40 inhab.), and is now served on some long haul flights of an international airline carrier.

FLAGs can help fishing communities take advantage of new opportunities by providing the necessary training. The earliest examples include training to help fishermen play a bigger and more lucrative role in tourism activities. This kind of support could also be provided to help fishing communities in the larger ports to build a new future in the face of restructuring.

In Sodankylä, Finland, for example, the number of professional fishermen has halved since the early 2000s, and the remaining 20 fishermen were eager to find ways to complement their income by diversifying into tourism. However, they lacked the skills and licenses to make this a reality.

Following discussions with their **local FLAG**, a group of specialists was brought together to develop and deliver a tailor-made **training package**. This package included courses and exams in onboard safety issues as well as in product development, pricing and customer service. These courses were subsequently complemented by visits to established tourist companies, along with seven days of personalised study and guidance.

Another Finnish FLAG (**FLAG Österbotten**) supported the fisherwomen's branch of the Ostrobothnian Fisheries Association in acquiring new skills in fish skin tanning and processing. With these new skills, the women have developed a new product line, which includes fish purses, bags, ties, and even bikinis, providing them with a new activity and a supplementary income.

A tool to empower fisheries communities to help themselves

As illustrated in this document, fishing communities can benefit in different ways from the activities of FLAGs. Community-led local development in the EFF is a tool to empower local fisheries areas to take control of their own destiny and ensure that they remain a vital part of our coastal and rural heritage. It is, therefore, up to each and every fishing community to discover how their local FLAG can help them or, if a FLAG does not already exist, to take steps to establish one, and to develop a local development strategy that responds to local needs.

The Fisheries Areas Network (**FARNET**) represents a wealth of resources and knowledge in this respect, which are available to current and potential FLAGs, or to other interested stakeholders. This network is made up of the 300+ existing FLAGs, the national

administrations in charge of the implementation of the Axis 4 programme, the Directorate General for Maritime Affairs and Fisheries of the European Commission (DG MARE), and the different national networks. FARNET is supported by a technical assistance team, the FARNET Support Unit, which is at your disposal to deal with queries and to provide assistance to ensure the successful application of Axis 4 and community-led local development in fisheries areas.

Demystifying the EU jargon...

Publications on EU programmes and initiatives inevitably include terms and acronyms that have evolved as part of the Eurocratic vocabulary. In this publication we have tried to limit the use of these to a minimum, but below you will find some explanations for the ones we have used.

Axis 1/2/3/4/5 – (These are the different axes of the EFF.) The EFF is organized in 5 different Axes which focus on different priorities. Axis 4 focuses on the sustainable development of fisheries areas.

Blue growth – Economic growth linked to the marine and maritime sectors. It is based on the potential of oceans, seas and coasts to make an essential contribution to tackling global challenges in areas such as food security, energy security, health and climate change,...The European Commission presented a Blue Growth strategy (COM(2012) 494 final) in 2012.

EFF – European Fisheries Fund. The EFF provides funding to the fishing industry and coastal communities to help them adapt to changing conditions in the sector and become economically resilient and ecologically sustainable.

ERDF – European Regional Development Fund. The aim of the ERDF is to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions.

ESF – European Social Fund. The main objective of the ESF is to improve employment and job opportunities in the European Union.

EU – European Union.

FIFG – Financial instrument for Fisheries Guidance. The FIFG was launched in 1994 to support the fisheries sector. It was replaced by the EFF in 2007.

FLAG – Fisheries Local Action Group. This is a partnership set up at local level to implement Axis 4. It is a local body, made up of a series of partners from the public, private (including fisheries but not only) and the community/voluntary sectors. The FLAGs themselves are responsible for developing the strategy for their area. On this basis, Member States allocate them a multiannual budget which they use to select projects which meet their specific objectives.

FARNET – This stands for Fisheries Areas Network. This is the EU network for FLAGs and Axis 4 stakeholders, which was set up by the European Commission to assist with the implementation of Axis 4 and to help with the exchange of know-how and good practices. FARNET benefits from the technical assistance of the FARNET Support Unit, made up of a 10 persons team, based in Brussels, and 21 part-time geographic experts.

MNP – Marine National Park. A part of the marine environment where natural or cultural resources are protected. The degree of protection and hence restrictions imposed on human activities can vary.

NATURA 2000 – Natura 2000 is a network of protected areas designated under two different EU Directives: the Birds Directive (79/409/EEC) and the Habitats Directive (92/43/EEC). The goal of these instruments is to ensure the long term survival of Europe's most valuable and threatened species and habitats.

VMS – Vessel Monitoring System. Satellite based systems which are used to report the location of a vessel at regular intervals and that can be used for monitoring of fishing operations.



"A chance to put cash into fishing ports, coves and areas but with a wider scope and community benefit"

"A local body focusing on the challenges faced by fishing communities and with the financing available to put new ideas into action"

"A tool in the hands of fishermen to look for the best suited solutions adapted to their territory and sector"

"Opening new lines of sustainable economic development by connecting the fishing sector and civil society"

"In Galicia, Axis 4 is connecting the fisheries sector with civil society and has opened new avenues for sustainable economic development, which will generate a change of mentality in fisheries"