

# COVID-19 and resilient local seafood economy for Philippine coastal municipalities

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## Abstract

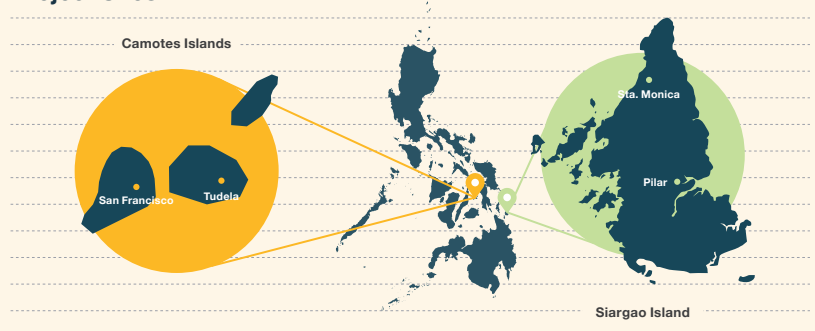
Government measures to combat the spread of COVID-19 has significantly impacted all sectors. In the fisheries sector, the small-scale value chain actors were among those severely impacted. These effects were compounded by their extralegal status in the informal economy. This study aims to define a pathway that will help the actors in the small-scale marine capture fishery value chain, particularly the fishers, become more resilient to allow them to thrive amidst disasters like the pandemic. Three major activities were carried out: a.) value chain analysis to determine the impacts of the pandemic on the value chain; b.) policy review and analysis of the effectiveness of implementation and recommendations for additional pandemic-relevant policies and, c.) multi-stakeholder sessions to identify innovative solutions that can help the value chain actors become better equipped for socio-economic disruptions. Results revealed that the pandemic has aggravated the impacts of existing pain points in the value chain. While they experienced a significant loss of income, the value chain actors have exhibited coping

mechanisms which allowed them to work around the pandemic-related challenges. The ideas generated from the multi-stakeholder sessions were assessed in terms of their alignment to risk reduction and management principles. Some of the ideas include investment in post-harvest processing facilities, increasing the community livelihood portfolio, social protection and insurance mechanisms, creation of alternative market distribution channels, and overall capacity development package for the value chain actors. The policy review revealed the need for streamlined implementation of national and local policies issued during the pandemic. A compartmentalised approach to containment of the pandemic was also raised as a potential model. A risk prevention and reduction approach were also applied for policy recommendations on inclusive public procurement, value chain upgrading and support for transition of small-scale fishers and other value chain actors into the formal economy.

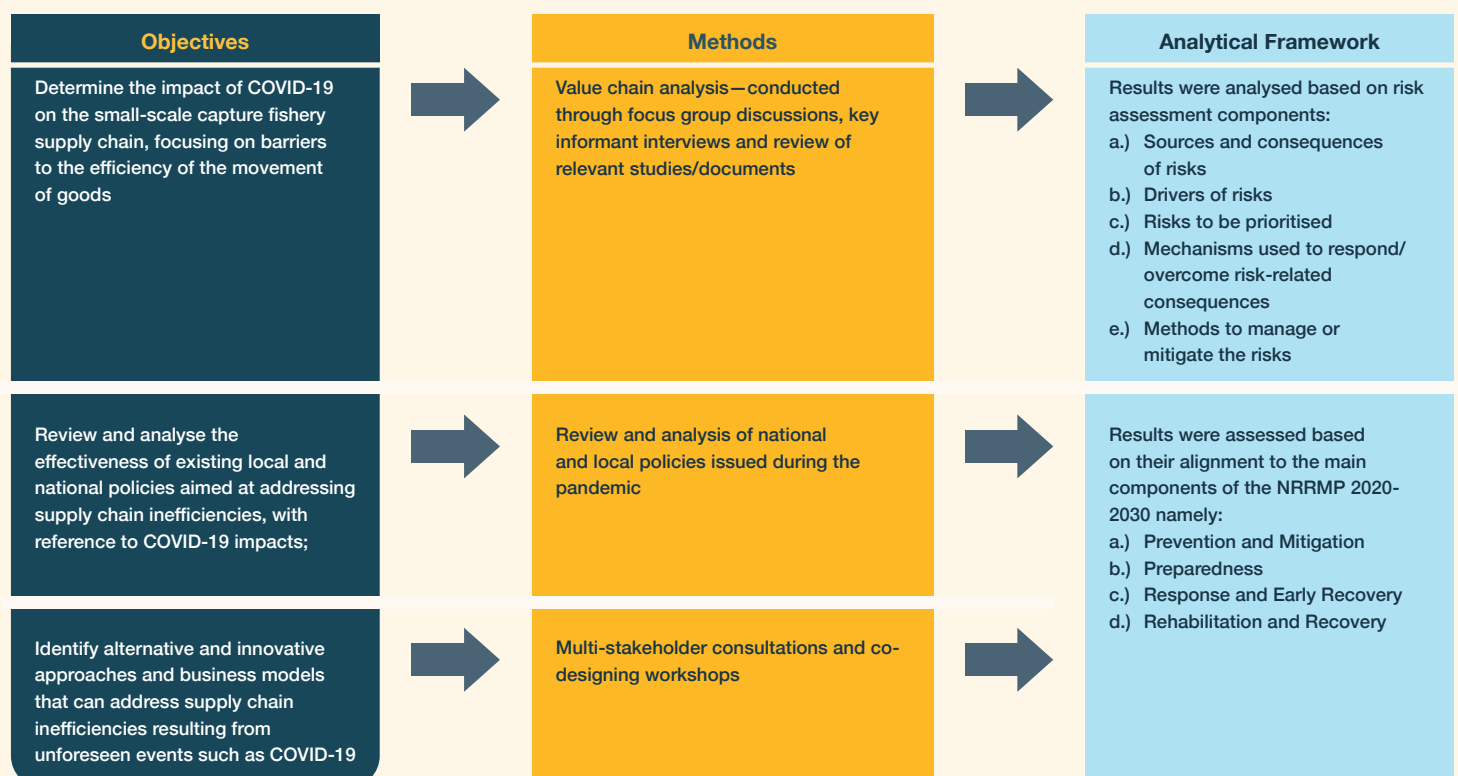
## Objectives

- To determine impacts of COVID-19 on the small-scale capture fishery supply chain, focusing on barriers to the efficiency of the movement of goods during the pandemic and other similar occurrences
- To review the effectiveness of existing local and national policies aimed at addressing supply chain inefficiencies, with reference to COVID-19 impacts
- To identify alternative and innovative approaches and business models that can address supply chain inefficiencies resulting from unforeseen events such as COVID-19

## Project Sites



## Research Framework



# Results and Key Recommendations

## Disruptions in key value chain activities

During period of hard lockdown (March-May 2020)

Key value chain activities	Disruptions
Sourcing of materials	Significant increase in price of fuel and fishing implements
Fishing operation	Reduction in number of fishing days or temporary suspension of fishing operations
Geographical distribution of products	Shortening of value chain; Induced domestic consumption
Marketing and income	Significant decrease in price of fish, fish trading activities and income from fishing
Trust and linkages	Reduced or temporary suspension of incentives provided by buyers to fishers; Delay in delivery of support services from development partners

Innovative approaches and business models identified during multi-stakeholder discussions	
Risk reduction and management principles	Approaches and models
Prevention and mitigation	1 Investment in post-harvest processing facilities Increase in livelihood portfolio, i.e., seaweed farming Social protection and insurance mechanisms
Preparedness	2 Establishment of local and stable source of fishing implements Creation of alternative market distribution channels Transition to formalization through creation of professionally managed fishers' cooperatives
Response and early recovery	3 Inclusive public procurement of fish Establishment of peripheral market centers
Rehabilitation and recovery	4 Capacity development package for sustainability of small-scale fisheries

### Conclusion

The pandemic has aggravated the impacts of the existing pain points in the small-scale fisheries value chain. While they experienced a significant loss of income, the value chain actors have exhibited coping mechanisms which allowed them to work around the pandemic-related challenges. Even as restrictions have slowly been lifted, it is important to integrate a risk reduction and management angle into the initiatives proposed so that the value chain can be pandemic-proof and the actors will be better prepared for existing and future similar socio-economic disruptions.

The impacts of the pandemic to the sector have been significant and has affected all the major value chain activities. This research has demonstrated how unequipped the value chain is to manage the effects of pandemic. The study has

## Disruption of typical value chain during hard lockdown period

Eight (8) scenarios of how fish are distributed geographically and between typical value chain actors



## Policy gaps and recommendations

Policy gaps				
Inconsistency in national and local policy implementation	Generalised lockdown	Traditional procurement policy that excludes small-scale fishers	Lack of post-harvest facilities	Poor organization of fishers with no legal authority to do business
↓	↓	↓	↓	↓
Streamlined policy implementation	Localised containment	Inclusive public procurement policy to support small scale fisheries	Policy on increasing investments in value chain upgrading	Policy supporting small-scale fishers' transition to formal economy
Recommendations				



## Role of women in recovery

APPROACHES IDENTIFIED, which are related to investment in post-harvest processing facilities and seaweed farming, can potentially increase the role of women household income generation. Fish processing sector is dominated by women who are deemed more capable of performing the highly labor-intensive nature of fish processing. More women also participate in seaweed farming and are involved from selection of planting materials to drying. However, it is critical to understand the weight of the additional workload and its impact on the general well-being of women given their other roles, i.e., child rearing, household chores, etc.

carefully pinpointed the consequences and the corresponding drivers for these on value chain. In order to create an enabling environment for a more resilient and inclusive local seafood economy even during a pandemic, it has also adopted a participatory approach in generating solutions, making the proposed approaches more relevant.

Owing to the general perception of the sector as being highly risky, investments in the small-scale fisheries have been very low and slow. Therefore, it is recommended that the approaches identified by key stakeholders through this study, should be prioritised. This will ensure a more sustainable recovery and more adequate risk prevention and mitigation for this highly vulnerable sector.