

Pink gold, muddy waters

A neglect of its traditional fisheries sector could spell jeopardy for Madagascar

Looked at in terms of its resources, Madagascar is a rich country, with its spices, precious stones and rich fish stocks. Yet, more than half of Malagasies are living below the poverty line, with declining per capita incomes. In recent years, this increased poverty and hunger has encouraged a reverse migration from urban areas, such as Tananarive, to traditional fishing communities. Up to 100,000 Malagasies, men and women, are employed in the traditional fisheries sector, and the numbers are growing. The traditional fisheries sector provides not only employment but also a source of protein to coastal communities, with 70 per cent of the fish protein consumed in Madagascar derived from the sector.

However, the role of the fisheries sector in meeting the protein needs of an increasingly impoverished Malagasy population could be even greater, if the underdeveloped nature of Madagascar's transport and public utilities infrastructure (poor or non-existent road links, the absence of electricity and hence cold storage facilities, etc.) did not effectively isolate coastal fishing communities from inland markets. This lack of economic integration keeps national fish consumption down to below 7.5 kg per capita per annum. This effectively limits the scope for the development of the traditional fisheries sector, which primarily serves the underdeveloped national market.

Were these infrastructural constraints to be addressed, a national market for cheap fish protein could be developed. This would give a major stimulus to the traditional fisheries sector, generating employment and increased cash incomes for an expanding sector. This would, however, require substantial investments

to overcome the physical and economic isolation of traditional coastal fishing communities.

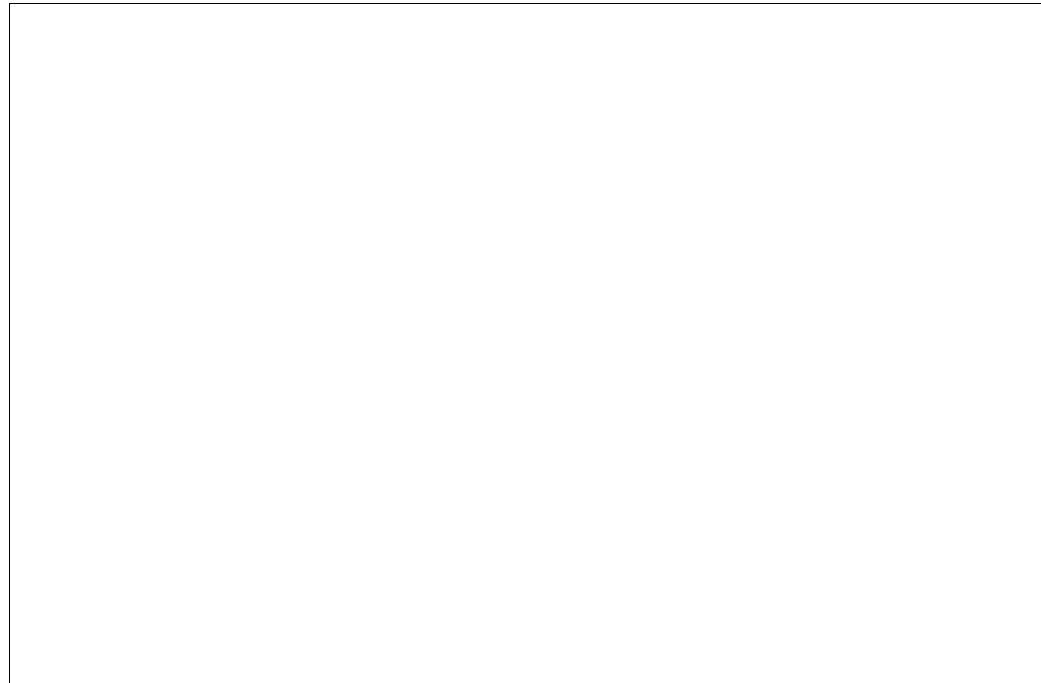
While the traditional sector accounts for 50 per cent of the national fish catch, this largely consists of small pelagic and spiny lobsters. Access to the commercially high-value tuna and shrimp resources are largely closed to the traditional fisherfolk. EU-based fisheries operators, however, are strongly represented in these sectors.

Since 1986, the EU has concluded five fisheries agreements with Madagascar. Initially, these agreements secured access to both the shrimp and tuna fisheries. At the end of the 1980s, however, access for EU vessels to the shrimp fishery under the fisheries agreement was discontinued. Since then, the EU-Madagascar fisheries agreement has been exclusively a tuna agreement.

The agreement has, however, provided access for an increasing number of EU tuna vessels. Under the latest agreement, which runs from May 1998 until 2001, access is provided to 75 tuna purse-seiners and long-liners, up from 58 under the previous agreement and 27 under the initial fisheries agreement. This tuna agreement, along with similar agreements with the Comoros, Seychelles and Mauritius, provides EU tuna vessels with access to the entire Indian Ocean tuna fishery.

Discrimination

Malagasy seafarers often face a hard time on EU tuna vessels. Discrimination is rampant, with unequal salaries and contractual conditions. Malagasy seafarers can find themselves dumped in strange lands at the end of their contracts, with no rights of repatriation. Since 1995, with the assistance of the Coalition for Fair



Fisheries Agreements (CFFA) and CFDT (a French maritime trade union), the issue of Malagasy seafarers' rights has been raised with French boatowners.

To date, however, they have denied being the employers of the Malagasy seafarers. Against this background, a round-table discussion is planned to: clarify the responsibilities of employers; elaborate on collective bargaining rights; and discuss the possible inclusion of a code of fair practice for workers on board EU vessels in future fisheries agreements.

Under the current fisheries agreement, 175,000 euros have been allocated to the Maritime Institute in Madagascar for the training of seafarers, so they can obtain the internationally recognized qualification. Unfortunately, this still requires a sizeable 'own contribution' from seafarers and, hence, remains unaffordable. A further 125,000 euros were allocated to the traditional fisheries sector.

To date, however, as far as the fishermen can tell, these funds have not been used in their sector. In addition, in recent negotiations, the EU representative expressed the wish to preserve the coastal zone for traditional fishermen. Local fishworkers would like to see the 10-mile exclusion zone established for tuna vessels applied to the shrimp fishery as well.

Madagascar benefits from this agreement in two main ways: through the financial compensation paid directly to the government and through the tuna processing plant established at Diego Soares. In the latest agreement, financial compensation paid out totalled 2,280,000 euros, with 60 per cent being deployed in the fisheries sector in support of research, training, monitoring and control. However, only around 5.5 per cent has been allocated to the development of the traditional fisheries sector. Since 1992, the unit value of tuna exports has doubled, with tuna increasingly being exported in the processed form.

The ending of EU access to the shrimp fishery under the EU-Madagascar fisheries agreement did not result in the withdrawal of European enterprises from the Malagasy shrimp fishery. Indeed, European enterprises continue to be heavily involved in what is the most commercially important component of the Malagasy fishery, the 'pink gold', namely, the shrimp sector.

Joint ventures

While fisheries agreement access for shrimp has ended, EU vessels continue to operate in the Malagasy shrimp fishery within the framework of joint ventures, occasionally with financial aid from the EU's Financial Instrument for Fisheries Guidance (FIFG). EU and member States' aid has also been extended to European

companies moving into shrimp aquaculture. This European corporate involvement in the Malagasy shrimp fishery is, however, often complex, with commercial deals being struck with Japanese importers and sister companies from Europe, everything being tied together in a complex web of cross-holdings. All in all, however, European enterprises still play a dominant role.

While European investments in the shrimp fishery do not generate much direct competition for resources with the traditional fisheries sector, they do generate competition for priority access to the coastal fishing zone, while threatening the sustainability of the coastal marine ecosystem.

Malagasy law restricts access to fishing in the two-mile coastal zone exclusively to non-motorized activities, or, in other words, exclusively for traditional fishing activities. This means that industrial shrimp trawlers are legally prohibited from fishing there. However, the reality is that these trawlers commonly fish illegally within this exclusion zone. Indeed, figures for 1998 show that more than two-thirds of the industrial shrimp trawler catches were made within this two-mile zone.

The Malagasy Shrimp Boatowners Group (Groupement des Armateurs à la Pêche Crevetière de Madagascar—GAPCM), argues that respecting the two-mile exclusion zone imposed on shrimp trawlers would make exploiting the shrimp fishery uneconomic. Indeed, it has gone so far as to suggest that “for strategic and foreign policy reasons, it would not be appropriate to apply international Law of the Sea in Malagasy fisheries rules.”

This flagrant disregard for regulations safeguarding the two-mile coastal zone for traditional fisherfolk has resulted in some serious consequences for the traditional fisheries sector:

- pollution of the sea from the dumping of by-catches;
- destruction of fishing gear on which the traditional fishing

sector depends for its non-shrimp catches;

- direct conflicts with some traditional fishermen fishing for shrimp; and
- increased pressure on non-target species in general, with seven tonnes of dead by-catch often being dumped at sea for every tonne of live shrimp caught.

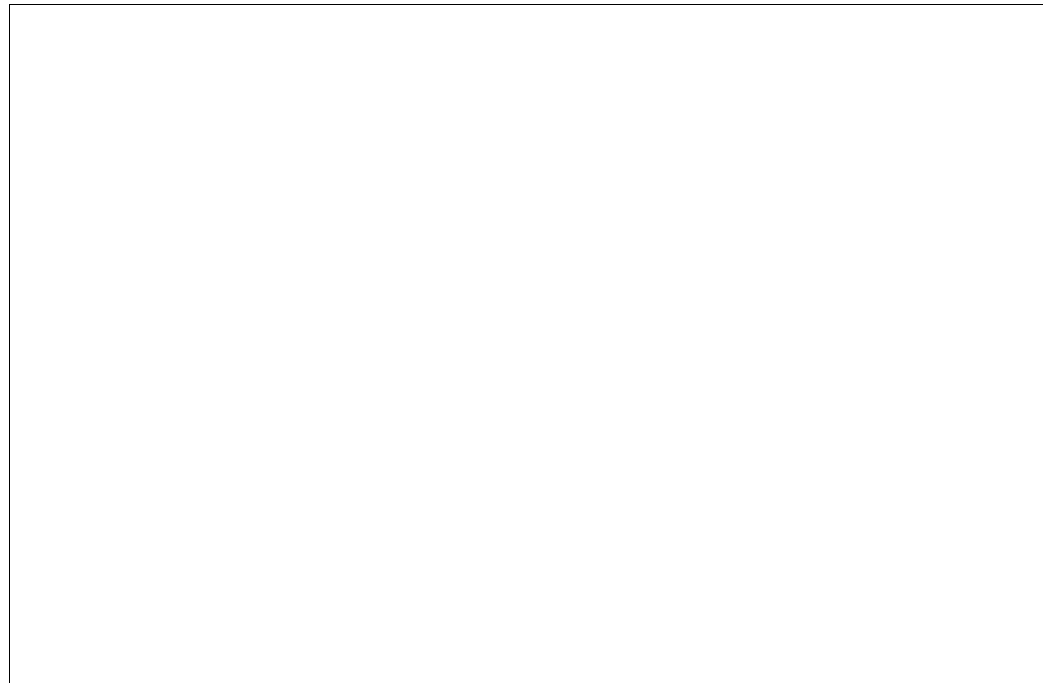
This situation of conflict with, and undermining of, traditional fishing activities seems likely to intensify, for, as shrimp stocks decrease, industrial fishing pressure within the two-mile exclusion zone is likely to increase. Indeed, the GAPCM is strongly pressuring the Malagasy government to ‘regularize’ the ‘illegal’ situation by lifting the current two-mile exclusion zone.

Currently, the development of the traditional sector is seriously constrained by the lack of access to the domestic market. Malagasies have seen their per capita GDP decline from US\$480 in 1976 to US\$200 in 2000. They have seen absolute levels of hunger and malnutrition increase. Concentrating on programmes to expand the traditional fisheries sector to meet the growing food needs of an increasingly impoverished population would appear an obvious priority.

However, between 1985 and 1995, of the 17.8 million ECU in EU funds made available to projects in the fisheries sector, less than one per cent was dedicated to the traditional fisheries sector. As much as 67 per cent went to aquaculture projects, and a further 13 per cent to a rice-cum-fish project designed to enhance rural food security.

Shrimp fishery

While the traditional sector mainly fishes for low-value species for the currently limited local market, in recent years, traditional fishermen have begun to move into the shrimp fishery. In 1998, around 2,000 tonnes of shrimp—20 per cent of the official catches—were caught by traditional fishermen, although this was mainly for local consumption. In addition to poor infrastructure, a major constraint for the traditional sector is its inability to



meet the quality standards of the export-orientated shrimp market.

Unfortunately, the initiatives made so far by the traditional sector to exploit commercial shrimp resources have only linked them to a network of collectors who supply export houses. Yet they gain little, due to price fixing, problems of preserving the catch and the exploitative practices of the collectors.

Currently, for every 100 tonnes of shrimp caught by the industrial sector, only 42 jobs are created, while for every 100 tonnes of shrimp produced in the aquaculture sector, 44 jobs are created. In contrast, for every 100 tonnes of shrimp caught by the traditional sector, 230 jobs are created. Clearly, therefore, expanding the role of the traditional sector in the shrimp fishery, while involving comparatively little investment, will offer tremendous scope for alleviating poverty in Madagascar.

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