



# The Pros and Cons of Creating Producer Organisations (PO) for Mediterranean Small-Scale Fishers

# **The Pros and Cons of Creating Producer Organisations (PO) for Mediterranean Small-Scale Fishers**

**Necessary Conditions, Objectives, Recognition, SWOT, Guidelines,  
Procedure, Frequently Asked Questions (faq's) and Examples**

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## Preface

Producer organisations (POs) are the key to achieving the objectives of the Common Fisheries Policy (CFP) and of the Common Organization of the Markets (CMO) in fishery products. So says the CMO regulation (EU Regulation No 1379/2013), stating that: *“when achieving those (CFP and CMO) objectives, producer organisations should take into account the different conditions of the fishery and aquaculture sectors that prevail in the Union, including in the outermost regions, and in particular the special characteristics of small-scale fisheries and extensive aquaculture,”* and (Article 6.2.) *“where relevant, the specific situation of small-scale producers shall be taken into account when establishing producer organisations.”*

The CMO also calls for measures *“to be taken to encourage the appropriate and representative participation of small-scale producers”* (in Producer Organisations).

The 2014 CFP and CMO also included new provisions designed to promote and strengthen the role of POs<sup>2</sup>.

Yet the majority of EU fish producers, the small-scale fish producers, are not represented in POs.

Accounting for 75% of the active fleet by vessel numbers and 51% of the active fishers, the EU small-scale fishing sector (SSF) - fishing carried out by fishing vessels of an overall length of less than 12 metres and not using towed fishing gear - is poorly represented in POs, and with few POs dedicated to the particular needs and characteristics of SSF.

The characteristics of SSF are very different to those of larger scale fisheries. SSF fall into the category of micro or nano enterprises, with most often a polyvalent fleet, producing relatively small quantities of fresh fish on a daily basis, potentially high in value, and with a high seasonal diversity. Overall, SSF are responsible for only 5% by weight of the EU fish catch but 12.5% of the landed value.

Relatively low catch levels are also caused in part by the poor access SSF have had historically to fishing opportunities, being allocated a relatively small share of fishing quotas. For this reason, in the main, they are forced to focus on a few non-quota species. Operating as they are on low profit margins, and further constrained by limited fishing opportunities they are vulnerable to market failures and other external shocks, as we have seen with the Covid 19 pandemic.

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<sup>2</sup> EC Guidance No 2014/2 – On Integrating the Market Dimension into EMFF Operational Programmes [https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/guidance-on-marketing-measures\\_en.pdf](https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/guidance-on-marketing-measures_en.pdf)

POs dedicated to addressing the needs of SSF, whilst taking into account their characteristics would provide a mechanism for integrating this important sector more centrally into the CFP. Focussing on value added rather than catch volume would enable SSF operations to become more viable and less vulnerable, and by providing a mechanism to allocate and manage quota (fishing rights/opportunities), SSF POs would provide a tool for achieving a more level playing field, and a fairer policy. In particular POs would provide a vital tool for SSF to access European structural funds for collective capacity building projects through the EMFF.

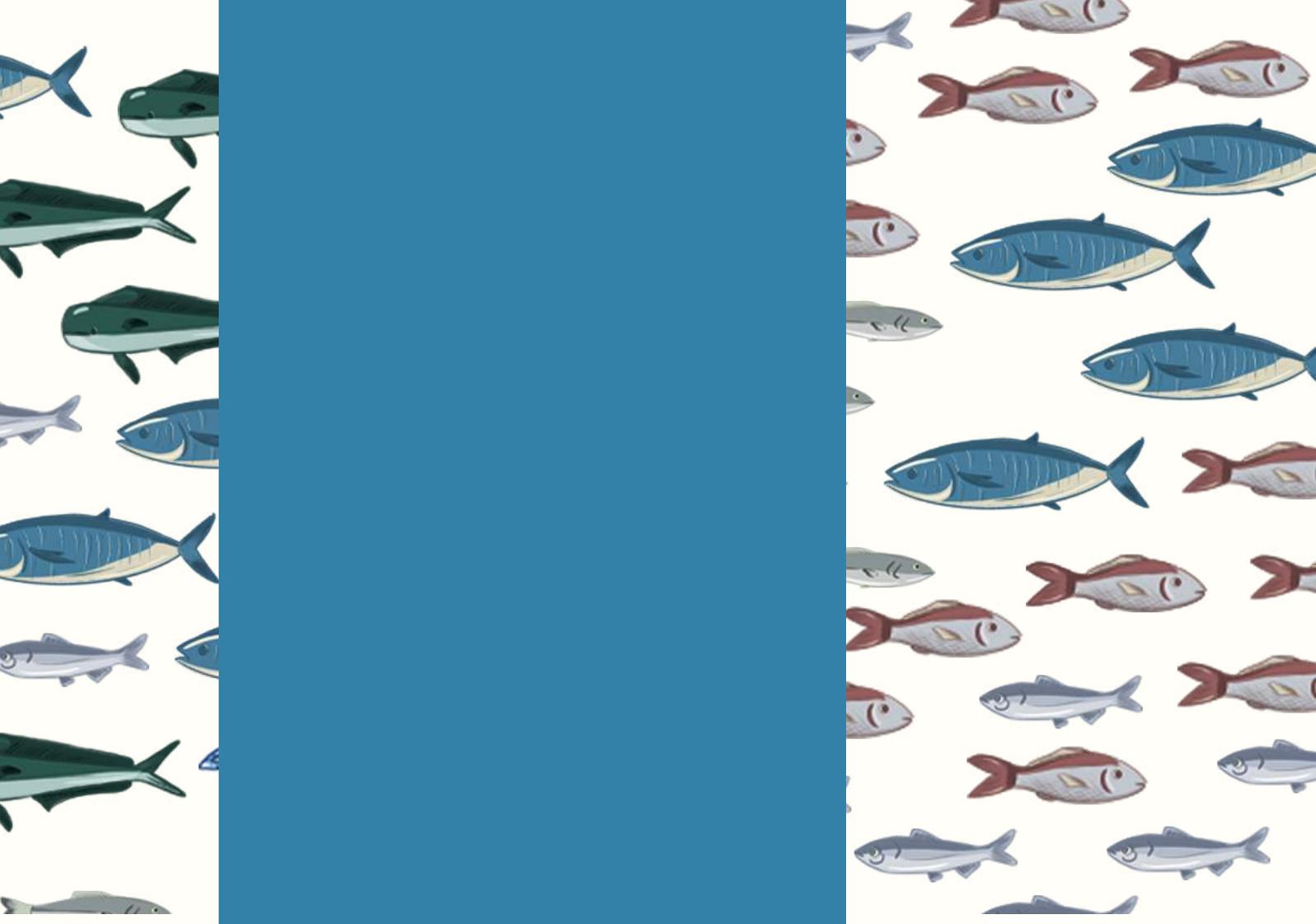
By channelling support to the sector, SSF POs could play an important role in strengthening the capacity to organize and engage more effectively in fisheries management through co-management structures, which in turn would lead to a more effective governance.

Yet Member States seem reluctant to support dedicated SSF POs, erecting bureaucratic barriers, making PO recognition conditional on volume rather than value, thereby forcing SSF either to join mixed POs, or not to associate in POs at all.

The difficulties in establishing SSF POs are considerable. SSF activities are notoriously individualistic, which makes fishers reluctant to associate. They also generate relatively low returns, making it difficult for them to invest in support structures like POs, and fishers may be reluctant to contribute membership fees. SSF POs are therefore likely to require considerable external support in the form of both financing and dedicated management and staff to run such organisations.

SSF associations must also comply with the requirement that they are “sufficiently economically active in the territory of the Member State concerned or a part thereof, in particular as regards the number of members or the volume of marketable production” (Article 14.1 (b)). This may be difficult due to the often dispersed, remote and isolated nature of SSF, which makes it difficult to group and associate SSF into effective organizations.

Through this report and subsequent work, LIFE hopes to make the case for establishing dedicated SSF POs as a mechanism to strengthen small scale fishery enterprises, to promote a more inclusive and effective systems of fisheries governance, to obtain a fairer share of fishing opportunities, and to promote the more efficient marketing of the fresh fish products caught by SSF operations.



## Summary

A producer organization (PO) is an officially recognized body that has been constituted by, and is controlled by, producers in a specific sector (agriculture, fisheries, aquaculture etc.), formed on the initiative of the producers themselves to pursue their specific aims. PO's are established in accordance with a number of provisions of European laws and are approved by the competent national authorities<sup>3</sup>. They may operate at national, regional and global level as POs, associations of POs and interbranch organizations.

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<sup>3</sup> EAPO Position Paper on Production and Marketing Plans. 2013. <http://eapo.com/UserFiles/EAPO%20Position%20Paper%20Production%20and%20Marketing%20Plans%20-%209%20Jan%202012%20%28Final%29.pdf>

For fisheries and aquaculture, PO recognition is based on two major European legal texts: the Common Fisheries Policy (CFP) regulation (Regulation (EU) No 1380/2013) and the Common Organization of the Markets (CMO) regulation (Regulation (EU) No 1379/2013). POs aim to bring together a group (or groups) of producers (professional fishermen and / or fish farmers) in order to manage their catching and marketing activities. Above all, POs provide an important instrument for the implementation of the CFP, for achieving its sustainability objectives and for effectively regulating markets in a transparent manner and in compliance with competition rules.

The small-scale fishing (SSF) sector, defined in the EU as vessels under 12 metres using non-towed gears, is poorly integrated into the PO system. There are relatively very few POs dedicated to SSF, and such SSF as are found within the PO system tend to be found in POs set up to cater to the interests of larger scale fishing interests. The relatively small landings of SSF, their lack of access to quota and their limited income may explain the lack of interest to integrate SSF into POs. In the Mediterranean nearly 90% of the SSF professionals do not belong to POs.

The fragile socio-economic situation facing small-scale fishers along with the need for sustainable resource management are good reasons for strengthening their representation as well as their organizational and governance capacity. In the Mediterranean, small-scale fishing has a long history and is a key element in the coastal economy, where today it accounts for about 85% of fishing vessels, 70% of active fishermen and 30% of landings at the wider Mediterranean level. The better structuring of the sector through establishing SSF specific POs is also in line with the objectives of recent policy and legislative initiatives explicitly supporting small-scale fisheries (for example the 2018 Regional Plan of Action for Small-scale Fisheries (RPOASSF) of the General Fisheries Commission for the Mediterranean and Black Sea (GFCM)).

Generating such political will at European and Mediterranean level is prerequisite to enabling new forms of POs to materialize specifically dedicated to the management of small-scale fishing activities. Creating a PO could offer many benefits and advantages but may also impose restrictions and obligations that are impossible for SSF to deal with, and their objectives may not always be adapted to the expectations of SSF.

Last but not least, PO recognition requires a cumbersome and complex legal and administrative process described in this analysis, and this provides a significant barrier for SSF associations.

### **Acronyms**

**CFP:** Common Fisheries Policy

**CMO:** Common Organization of the Markets

**EU:** European Union

**FAO:** Food and Agriculture Organization

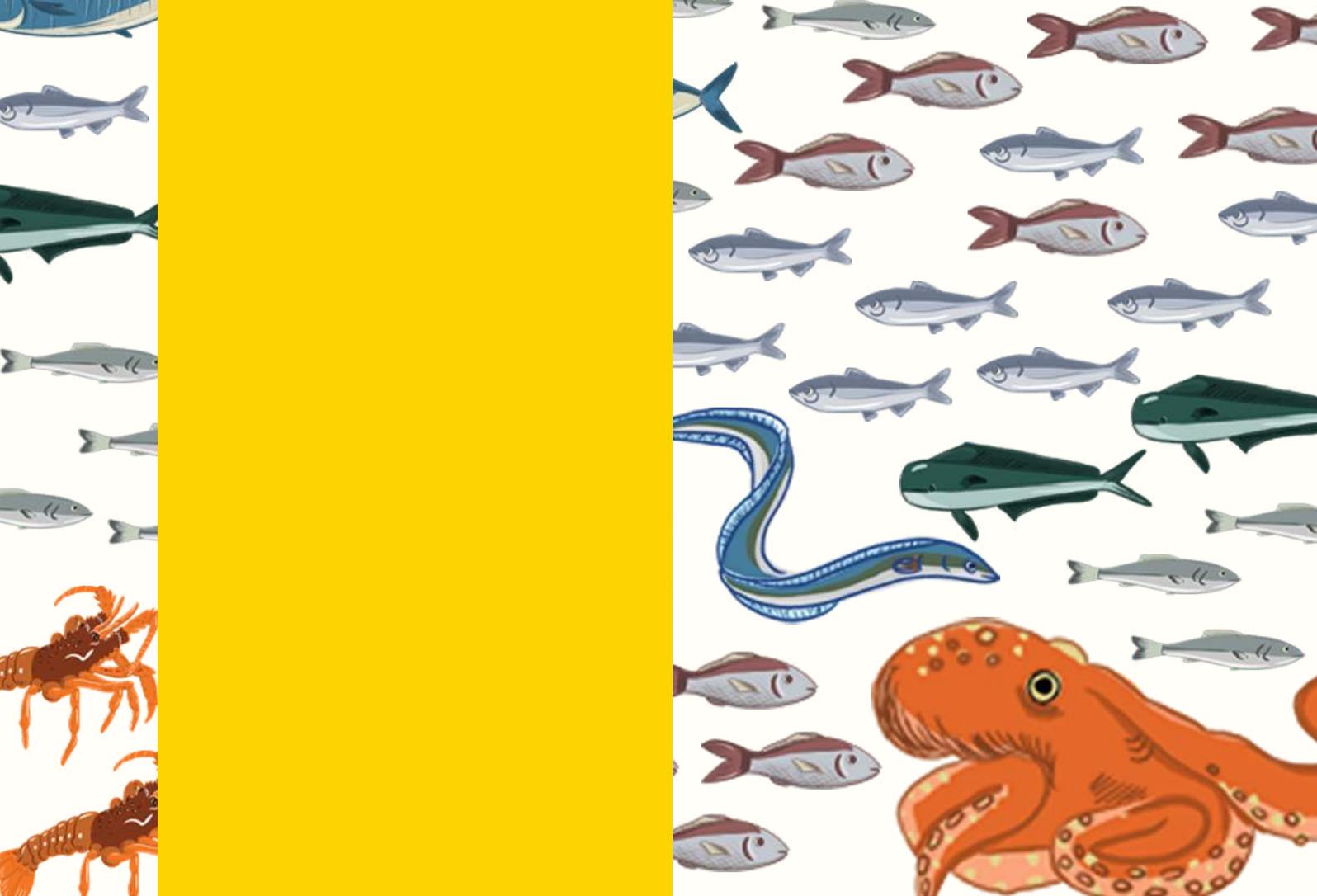
**GFCM:** General Fisheries Commission for the Mediterranean and Black Sea

**MS:** Member State

**PO:** Producer Organisation

**SSF:** Small Scale Fisheries

**SWOT:** Strengths Weaknesses Opportunities and Threats



## Introduction

A PO is a European policy tool, designed to meet specific policy objectives, taking into account an array of legal and socio-economic contexts (II) and in line with the criteria laid down for their recognition (III). These objectives will be considered in the light of the specificities of the SSF sector including through a SWOT analysis on the creation and recognition of a PO for this fleet segment in the Mediterranean context (IV). Then, before listing few examples of existing POs that integrate totally or partially small-scale fishers (VI), we will be providing guidelines which set out the essential steps for establishing a SSF PO (V). After reviewing these and responding to some FAQs (VII), we will discuss the opportunities to create such POs taking into account the socio-professional context and the necessary legal and institutional procedures at the national level, based on French experience (VIII).

CHAPTER 01

# Nature and Scope of POs



THE PROS AND CONS OF CREATING PRODUCER  
ORGANISATIONS (PO) FOR MEDITERRANEAN  
SMALL-SCALE FISHERS

## 1.1 - Reference texts

Two main texts set out the *raison d'être* and provide legal basis for the creation, recognition and management of POs in the EU:

- Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organization of the markets in fishery and aquaculture products (CMO Regulation), and in particular Articles 6, 7, 8 and 9 thereof, 10, 14, 17, 18, 20 and its chapter V;
- Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the common fisheries policy (CFP) - Commission Implementing Regulation (EU) No 1419/2013 of 17 December 2013 concerning the recognition of producer organizations and interbranch organizations, the extension of the rules of these organizations and the publication of trigger prices;

It is important to remember that the European regulations apply directly in the territories of Member States, where they act like a “law” in the legal sense and do not require the adoption of specific transposition texts in national laws, unlike the European directives.

We will see below (in Section V) that the MS adopt specific texts of varying scope to clarify and adapt the provisions of the European regulations to their specific contexts. These texts establish national conditions for the creation, recognition, monitoring, evaluation and control of POs. Indeed, as the approval (recognition) of POs is the responsibility of MS, it is necessary that they create the optimal institutional and

## 2.1 - General framework of action

legal conditions to define the roles and responsibilities of the supervisory administrations and professional stakeholders.

These two EU regulations provide us with the following main principles, objectives and areas of competence applicable to POs. These rules provide a general framework applicable to all European POs, the implementation of which will then be adapted at the level of each MS. This is summarized in the table below.

POs GENERAL FRAMEWORK OF ACTION			
POs PRINCIPLES	POs OBJECTIVES	POs AREAS OF COMPETENCE	POs PRODUCTION AND MARKETING PLAN (PMP)
<ul style="list-style-type: none"> <li>• Key to achieving the objectives of the CFP and the CMO</li> <li>• Integrate the different profiles of fishing and aquaculture, including the specific characteristics of SSF and extensive activities (from UE to MS level)</li> <li>• Can be grouped into national or transnational associations</li> <li>• Contribute to the development of eco-labels for fishery and aquaculture products</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring/promoting viable and sustainable fishing activities, in strict compliance with conservation rules</li> <li>• Respecting social policy and rules operative in the EU</li> <li>• Proactive in the management of living marine resources</li> <li>• Avoiding and reducing, as far as possible, unwanted catches of commercial stocks</li> <li>• Contributing to the traceability of products, with clear and comprehensive information for consumers</li> <li>• Contributing to elimination of illegal, undeclared and unregulated (IUU) fishing</li> <li>• Improving the : 1) marketing conditions for products; 2) economic profitability; 3) markets stability; 4) supply of food with high standards of quality and safety; 5) employment in coastal and rural areas; 6) fishing techniques by reducing their impact on the environment (including selectivity of gears).</li> </ul>	<ul style="list-style-type: none"> <li>• Adjusting production (supply) to market requirements (demand)</li> <li>• Channelling the supply and organizing the marketing of their members' products</li> <li>• Promoting non-discriminatory manner (e.g. certification, designations of origin, quality seals, geographical designations, traditional specialities guaranteed and sustainability merits)</li> <li>• Controlling measures of compliance members' activities with the PO rules</li> <li>• Promoting vocational training and cooperation programmes (young professional installation)</li> <li>• Reducing the environmental impact of practices, including selectivity of fishing gears</li> <li>• Using information and communication technology to improve marketing and prices</li> <li>• Facilitating consumer access to information on fishery and aquaculture products</li> <li>• Collectively planning and managing the fishing activities of their members</li> <li>• Taking measures to avoid and minimize unwanted catches through involvement in the development. Best use of unwanted catches without creating a market for those products</li> <li>• Managing temporary storage for fishery products in case of withdrawal price for products unsold. Helping find alternative solutions for valuation / marketing with specific financial support</li> </ul>	<ul style="list-style-type: none"> <li>• Mandatory, submitted, updated and revised as needed</li> <li>• Approved by the national authorities with: 1) production programme (caught or farmed species); 2) marketing strategy (quantity, quality and presentation in accordance with market requirements; 3) measures to contribute to the objective of the PO and reference texts ; 4) anticipatory measures to adjust the supply (for species with marketing difficulties); 5) penalties applicable to members in case of infringement to PMP.</li> <li>• POs may receive financial support (EMFF) for the preparation and implementation of PMP</li> <li>• MS control PO to fulfils the obligations. Non-compliance may result in the withdrawal of recognition</li> </ul>

## 3.1 - What Relevance for the SSF sector?

Several PO objectives and competences are not really of relevance to SSF concerns. Historically a number of PO tasks, like other provisions of the CFP, are for the better regulation and control of industrial and semi-industrial practices (trawling, purse seiner and off-shore fisheries), in particular concerning: 1) the management / reduction of incidental catches/ by-

catch; 2) the improvement of selectivity of gear; 3) triggering of the product storage mechanism (withdrawal price) in the event of overproduction (unsold products) and / or marketing of non-targeted products.

These kinds of actions carried out by POs are not designed with the management, production and marketing needs of SSFs in mind. Beyond the generic definition of SSFs established by the EU (referred to above), in the Mediterranean SSF practices are characterized by a high degree of polyvalence/versatility (techniques used and target species) combined with a high degree of seasonality (target species, fishing grounds). Gear selectivity is an inherent part of its diversity, determined by the nature of the fishing grounds (open sea and lagoons) and designed to catch many species in small quantities. This last point is key as it precludes the risk, with some exceptions, of overproduction and the need for managing significant unsold landings. Finally, the use of catch or fishing effort quota mechanisms is still underdeveloped for the SSF sector in the Mediterranean, and the internal rules of POs in terms of the management of fishing rights are not designed with these characteristics in mind.

Whilst many PO provisions have little relevance for SSF, the general legal framework applicable to all European POs could provide an important instrument for recognizing SSF specificities, addressing sector specific problems and meeting expectations. The creation of SSF specific POs could provide also an appropriate framework to design, build and implement a bespoke model of governance for SSF. A future PO dedicated exclusively to the sustainable development of SSF activities would provide legal, institutional and socio-economic legitimacy for a program of action and form of organization adapted to this sector. Both legally and institutionally, SSF POs could legitimize SSF specific actions with MS and European authorities.

Member State recognition is an essential first step to establish a PO on a solid legal basis. Once recognized by a MS, there follows a much longer process for the PO to produce results, and to optimize its governance so its activities are as effective and efficient as possible. Thus, SSF POs will have to develop their own priority objectives and adopt management approaches that will necessarily be different to that of the other larger scale fleet segments, in particular as regards the management of multispecies fisheries and in a context of low productivity.

CHAPTER 02

# POs Recognition Criteria



## 2.1 - Prerequisites

EUROPEAN UNION GENERAL CONDITIONS TO RECOGNIZE AN ORGANISATION AS A PO (CMO Article 14)				
LEGAL EXISTENCE	INTERNAL ORGANIZATION AND FUNCTION	REPRESENTATIVENESS	MEANS AND CAPACITIES	TRANSPARENCY
<ul style="list-style-type: none"> <li>Have legal personality under the national law of the MS concerned</li> <li>Established with official headquarters in its territory</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with the rules adopted by the PO (exploitation, production and marketing)</li> <li>Non-discrimination between members</li> <li>Financial contribution of members</li> <li>Democratic functioning (members control organization and decisions)</li> <li>Effective, dissuasive and proportionate sanctions in case of not respect of PO's rules</li> <li>Rules on the admission of new members and the dismissal of members</li> <li>Accounting and budgetary requirements for the management of the organization</li> </ul>	<ul style="list-style-type: none"> <li>Sufficiently economically active in the territory of the MS concerned or a part thereof</li> <li>Mainly regarding the number of members or the volume of marketable production</li> </ul>	<ul style="list-style-type: none"> <li>For pursuing and achieving the objectives (reference texts)</li> <li>For compliance with the competition rules</li> <li>To not abuse a dominant position on a given market</li> </ul>	By providing relevant details of their membership, governance and sources of funding
<p><b>MS adapt these conditions to their national/local contexts and incorporated into their internal rules of POs recognition process (see under point VIII)</b></p>				

The requirements for establishing Fish POs are established at EU level, where minimum standards are set. Member States must then establish their own conditions for recognising Fish POs based on these standards.

## 2.2 - Extension of rules (Article 22 of the CMO)

In certain situations, the rules applicable within a producer organisation may be made binding by Member States on producers who are not members of the PO and who market one or more products in the representative area of that organisation. In such cases, two conditions are then required to allow this extension:

- The PO concerned has been established (recognised) for at least one year; and
- The PO is considered representative in terms of production and marketing in the Member State concerned, including, where appropriate, for the SSF sector.

A producer organization of fishery products is considered to be representative when it is responsible for at least 55% of the quantities (of the product concerned) marketed the previous year in the area where it is proposed to extend the rules. The rules to be extended to non-member producers apply for a period of 60 days to 12 months.

The provisions for extending the rules are of interest, although difficult to implement in practice. In the French case, for example, such a decision is rare and is brought about through a ministerial order which makes the extension legally enforceable against fishermen who are not members of the PO in question. In reality, there are few decisions that concretely illustrate such an extension of the rules. However, this possibility demonstrates the importance of the legal and organizational competences granted to POs when they can potentially enforce their rules and the scope of their application beyond their members alone.

In the case of the SSF in the Mediterranean, such provisions are of some interest for regulating productive activities. There is a strong “territoriality” element to these fisheries that requires systematically adapting management methods to the particular characteristics of the zones in question and seasonal changes. This requires significant flexibility in the rules applicable by the SSFs, which may differ from one community to another, from one port to another, from one maritime territory to another. The existence of SSF POs could strengthen the recognition at national and European level of local rules which are not always known, monitored and evaluated, especially scientifically. Thus, their legal enforceability may sometimes be weakened or called into question by the standards imposed on these fishing areas and their practices by higher authorities (national and European) without taking into account the pre-existence of other more local management measures. From this point of view, the principle of extension could help to achieve spatial coherence in the rules for very localised situations, providing the possibility to improve the efficiency and applicability of management systems.

In France, the example of the fishing prud'homies is particularly illustrative of the historical existence of a range of very dense, complex and different local rules, but which SSF fishermen know and master perfectly in the daily exercise of their multi-faceted activities on their own territory. The mechanism for extending the rules within the framework of SSF POs could help to better harmonise such local fisheries management arrangements. Fishermen and their representatives from SSF POs would be able to assert the nature and scope of these rules and to reinforce the support and means necessary to guarantee optimal and operational monitoring/evaluation of SSF fisheries.

## 2.3 - Official Recognition

Official recognition comes at the end of a complex process of administrative inquiry into the application for approval under the conditions that we will see below (point VIII). A minimum format is required for the procedure adopted by Member State for their decision to recognize a PO. Each Member State must also comply with similar formalities in the event of withdrawal of recognition for the reasons provided for in European and national texts. MS must communicate their decisions in the format outlined in Annex II of the Commission Implementing Regulation (EU) No 1419/2013 concerning the recognition of producer organizations etc.

## List of Compliance Requirements for PO Recognition by MS

Name of zone	Element name <sup>(1)</sup>	Maximum number of characters	Definition and comments
Member State	MS	3	Member State (Alpha—3 ISO code) communicating the decision to grant or withdraw recognition
Type of organisation	TO	3	<b>PO</b> : producer organisation; <b>APO</b> : association of producer organisations; <b>IBO</b> : inter-branch organisation
Registering number	RN	—	Number under which the organisation has been registered
Name of the organisation	NO	—	Name of the PO, APO or IBO under which the organisation has been registered
Contact	CO	100	Free text. The address must be sufficiently clear for the organisation to be contacted: postal address, telephone and fax number, e-mail address, website
Area of activity	AA	—	<b>N</b> for national <b>T</b> for transnational (indicate other Member States concerned with Alpha -3 ISO code)
Area of competence	AC	100	Precise one or more of the following areas:  For <b>POs</b> : marine aquaculture, freshwater aquaculture; coastal fishing including small-scale fishing; high-sea fishing and long-distance fishing; other (specify)  For <b>IBOs</b> : production (fishery or aquaculture); processing; marketing; other (specify)
Date of recognition	DR	10	yyyy-mm-dd
Date of withdrawal of recognition	DW	10	yyyy-mm-dd where relevant

**Figure 1.** Annex II of Commission Implementing Regulation (EU) No 1419/2013 of 17 December 2013.



CHAPTER 03

# SWOT Analysis



This summarised analysis takes into account both the rules and the processes imposed for the recognition of a PO as described above, as applied to the specificities of the SSF sector, particularly in Mediterranean.

### **Strengths**

- POs are a structure recognized at both national and EU level, and provide a mechanism for better integrating SSF into the CFP, CMO and EMFF, and into fishery co-management structures at national level
- POs are well integrated into fishery management and marketing processes, with proven track record
- SSF comprise 70 to 80% of the vessel fleet by numbers and 15% of the value of fish landings.

### **Weaknesses**

- Individualistic nature of SSF makes it difficult to get organised into associations and to cooperate
- High degree of diversity and seasonality (species, gears, grounds), and dispersed nature of SSF makes finding common ground for managing fishing activities difficult
- Low profit margins and limited means weakens financial viability of SSF POs
- Limited capacity in SSF to deal with legal and administrative requirements of establishing and running a PO
- Meeting representivity requirements (%age of landings by volume or value in territory) may be difficult

## Opportunities

- EMFF funds can be better channelled to SSF projects through POs
- Opportunity to strengthen SSF capacity to engage in consultation and policy making processes
- POs offer possibility to SSF to get better organized, be better represented, with their interests better defended
- POs provide the possibility for SSF to improve access to both resources (e.g. through accessing quota) and markets (added value, labelling, traceability)
- Opportunity for SSF to be recognised and categorised as different to LSF, giving opportunity for “differentiated approach” to managing/ regulating SSF, with a distinct/ dedicated voice at the decision-making table
- Opportunities for local rules to be recognized and respected at national and EU level through “extension” provisions.

## Threats

- Bureaucratic intransigence/ hostility towards SSF POs; inertia/ reluctance of national authorities towards SSF forming POs.
- Socioeconomic / vulnerability of SSF to external shocks – climate change, invasive species, loss of fishing grounds (blue economy competition), pandemics etc.

CHAPTER 04

# Guidelines for Creating SSF POs



These guidelines are based on the legal and technical elements mentioned above, as well as on additional considerations that must be taken into account by SSF in order to complete their recognition process.

The table below summarises the different preparatory, bureaucratic and other steps necessary for the recognition and establishment of a PO. Complementary national conditions may also be in place and must also to be complied with, along with any qualifying criteria established by each State.

GUIDELINES FOR CREATION OF SMALL-SCALE FISHERIES PRODUCER ORGANIZATION	
STEPS/ ELEMENTS IN THE PROCESS	ASPECTS TO BE CONSIDERED/ INCORPORATED ( public   professional   other )
1. Representativity requirements	For prior consideration - the provisions of the following: 1.1. European Union: legal reference framework (CFP, CMO, EMFF) 1.2 Member States: 1) national legal framework; 2) complementary national technical and administrative conditions; 3) favourable or unfavourable political and professional context for PO recognition. Representativity requirements may include: degree of geographical coverage, proportion of volume/ value of fish landings, and proportion of total fishers (in area, region or state).
2. Recognition process	2.1. Establish good working relationships with the competent authorities 2.2. Master content of the application file (national legal framework and legal and technical requirements of the authorities) 2.2. Master approval procedures and deadlines 2.3. Master decision procedures and deadlines
3. Priority objectives	3.1. Clearly articulated description of reasons to develop a SSF specific PO 3.2. Develop SSF specific approach, identifying needs and objectives, the modalities to achieve them (organization, action), expected results, timetable

<p><b>4. Production Plan</b></p>	<p><b>Essential elements to be adopted/determined/described:</b></p> <p>4.1 Field(s) of activity(ies), production, landing area(s)</p> <p>4.2. List, with importance (according to levels of dependence) of the main species exploited in relation to the volumes (and values) caught/landed</p> <p>4.3 Inventory of existing management mechanisms (Member States/EU, licenses, permits, catch/effort quotas, spatial-temporal management, regulation of individual/collective fishing effort, etc.), fisheries not subject to specific management and/or local/professional rules and/or existence of local or professional rules.</p> <p>4.4. Rules and guidelines recommended by/for the future PO: 1) vision and envisaged management approach (access and exploitation rights) and specific expectations (monitoring, obligations, etc.); 2) objective assessment of risks in relation to the situation, difficulties, constraints, needs for management of productive activities</p> <p>4.5. Planned qualitative and quantitative production targets/forecast</p>
<p><b>5. Marketing plan</b></p>	<p><b>Essential elements to be adopted/determined/described:</b></p> <p>5.1. Existing and in use first-sale mechanisms (auction, over the counter, on-line, direct sales, etc.) and their respective importance (economic weight)</p> <p>5.2 Overall assessment of the profitability of the future PO's economic activity</p> <p>5.3. Objectives and mechanisms/approaches expected/considered to improve the economic results/efficiency of the future PO (labels, eco-certification, collective trademark, market diversification, strengthening of means/capacities, organisation and partnerships, including public-private, etc.).</p> <p>5.4. Qualitative and quantitative forecasts for the marketing and valorisation of the products of the future PO</p>
<p><b>6. Socio-economic and environmental dimension</b></p>	<p><b>Essential elements to be adopted/determined/described:</b></p> <p>6.1. Employment generated (direct, indirect) and envisaged scope of the future PO</p> <p>6.2. Territorial arrangements/ functioning of the future PO with regard to its geographical scope/area and its objectives.</p> <p>6.3. Improvement/strengthening/enhancement of the environmental functions of the future SSF PO: integration/ sustainability of fishing practices in coastal/marine ecosystems and daily at sea observations</p> <p>6.4. Highlighting the contribution of SSF to the coastal economy</p>
<p><b>7. Registration requirements/ Legal status</b></p>	<p><b>Essential elements to be adopted/determined/described:</b></p> <p>7.1. Check at national level the nature of possible legal statuses/ statutes eligible for recognition of a PO (type of organization – cooperative, limited company, etc.</p> <p>7.2. Elaboration, validation, adoption and registration (process and official filing) of the legal statutes of the future PO</p> <p>7.3. Recourse to competent legal, technical and institutional expert support and advice when needed</p>

<p><b>8. Selection of Founding Members</b></p>	<p><b>Essential elements to be adopted/determined/described:</b>  8.1. Members to be involved in the signing the statutes and integrated into the whole process of the creation and legal recognition of the future PO  8.2. Checking compliance with any professional and/or territorial representativeness criteria set by the Member States</p>
<p><b>9. Future members</b></p>	<p><b>Essential elements to be adopted/determined/described:</b>  9.1. Members having declared their intention to join the future PO (official document signed) after its official recognition  9.2. Verify the need for compliance with any criteria for professional and/or territorial representativeness set by the Member States  9.3. Verify the conditions/ criteria to be taken into account for membership during the examination phase of the application for recognition (after it has been submitted to the administration) if necessary, to complete the eligibility of the application.</p>
<p><b>10. Governance / financing plan</b></p>	<p><b>Essential elements to be adopted/determined/described:</b>  10.1. Determine organisational and operational framework of the future PO  10.2 Establish the governance system required by the legal statutes, giving particular emphasis to its description, explaining its content in a detailed manner that complements the statutes.  10.3 Develop a strategy with mechanisms to ensure the legitimacy and effectiveness of the PO structure in terms of representativeness, objectives, results and expectations of its members  10.4. Identify sustainable financing mechanism(s) for the future PO (taking into account the low contributive capacity of SSF): entrance fee, annual contribution, trade tax, licenses, services, grants, foundations etc.  10.5. Explain the possibilities to diversify the sources of complementary financing of the future PO (public / private).</p>
<p><b>11. Communication strategy</b></p>	<p><b>Essential elements to be adopted/determined/described:</b>  11.1. Describe the different media to be used by the future PO: website, information platform, various social networks, videos, podcasts, paper leaflets, etc.  11.2. Participation in research and development projects and programmes related to SSF  11.3 Describe the communication actions envisaged: sustainability of practices, cultural traditions/ heritage, traditional local knowledge, traceability of products, enhancement of the image of the SSFs, etc.</p>
<p><b>12. External support</b></p>	<p><b>Essential elements to be adopted/determined/described:</b>  12.1. Eligibility for public funding for the creation of POs (yes/no)  12.2. Availability of private financing to support of a project for the creation of SSF POs (advocacy)  12.3. Develop a strategic approach to strengthen support for the future PO throughout its recognition process: public (supervisory authorities, local authorities), private (actors in the sector, partners, professional organisations, NGOs) in order to use all appropriate means of advocacy (meetings, letters, social networks, etc.).</p>

CHAPTER 05

# Some Examples of Existing POs



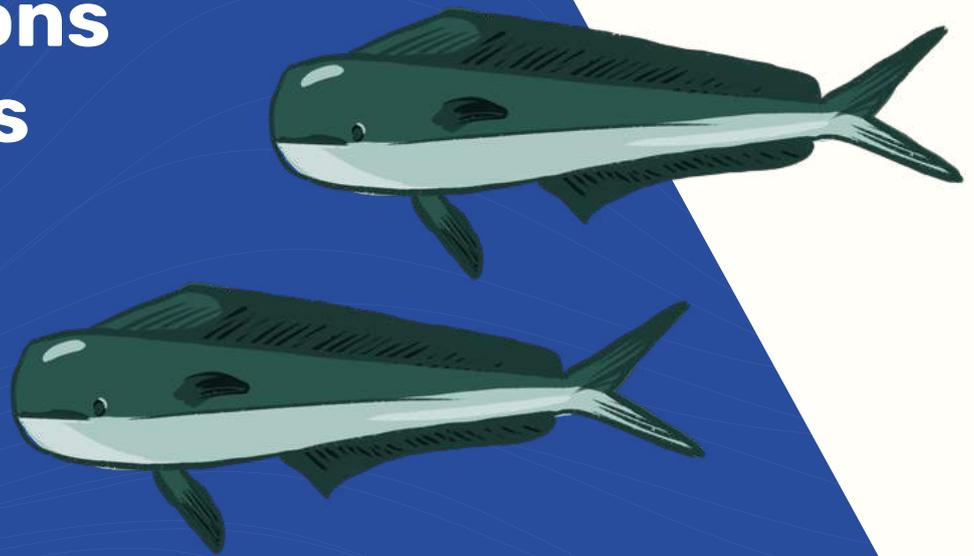
Apart from a few particular cases, existing POs incorporating SSF consist of mixed sized vessels with several professional fishing segments co-existing. SS fishermen who are members of POs are thus integrated into “mixed” structures which manage other fisheries, notably semi-industrial, industrial and off-shore fisheries.

The legal definition and classification of professional fisheries (status of the vessel and of the shipowner) vary from one Member State to another. There is generally a major distinction between those termed artisanal fisheries and those termed industrial, and/ or semi-industrial fisheries. Although SSF is defined by European regulations, at MS level SSF has a wider range of definitions, in particular as regards the size of the vessel, which may be over 12m, as well as the type of fishing practised and the gear used, which may be both passive and active.

EXISTING SSF POs IN EUROPEAN UNION			
NAME	COUNTRY <i>headquarters</i>	CREATION	PROFILE <i>(members, objectifs, results)</i>
Estuaire	France <i>Les Sables d'Olonne</i>	2013	<p><b>Objective :</b> Eel fishing management (SSF sector but monospecific), faced with a scarcity of demand and a constant decrease in prices, adapt production to the market and thus contribute to the sustainability of fishing enterprises in a framework of recovery of the European eel population (European management plan due to Eel inscription to Annex II of the Convention on International Trade of Endangered Species – CITES)</p> <p><b>Members :</b> professional maritime and river fishermen of “Pays de la Loire” (about 120 vessels)</p> <p><b>Measures</b> adopted in order to: 1) Give priority to the planning of its production and its adaptation to demand (catch plans); 2) Promote the concentration of supply; 3) Stabilize prices; 4) Encourage sustainable fishing methods; 5) Engage in the “Estuarine and Diadromous Commission of the National Committee for Maritime Fisheries and Marine Culture” in its management of fishing opportunities</p>
The Coastal PO Limited	United Kingdom <i>Plymouth</i>	2017	<p><b>Objectives:</b> 1) To receive, allocate and manage quota for the UK Under 10 meter fleet; 2) to provide (information, support, advice, marketing, advocacy) services to members</p> <p><b>Action :</b></p> <ul style="list-style-type: none"> <li>Promote sustainable fishing activities;</li> <li>Fight against incidental catches and illegal fishing;</li> <li>Improve the traceability and marketing conditions of fishery products;</li> <li>Give the fishermen members a heavier collective voice in an industry too often dominated by the interests of industrial fishing;</li> </ul> <p><b>Adherents:</b> 257 small-scale fishers and 280 vessels landing at Shetland ports, including Lizard (Cornwall) and Hastings;</p> <p><b>Membership:</b> the fisherman must subscribe at least one share (with voting right) at £1; In addition, he can purchase services from the PO (not under-quota management) by paying a fee of £ 150 / year / vessel;</p> <p><b>Services:</b> establishment of a central purchasing office to provide various services and supplies for the benefit of the members. Unfortunately the UK authorities have seen fit to block agreed payments, and the Coastal PO is in the process of being wound up.</p>
CONIL <i>Organización de Productores Artesanales de la Lonja de Conil</i>	Spain <i>Conil de la Frontera</i>	2010	<p><b>Objectives:</b> To unite forces to promote fish from Conil auction, to establish sustainable fishing, improve quality and traceability, provide training, inform its members on legislation, advice on labor and social security matters, support on formalities and administrative procedures, adapt the fleet to the current situation, represent its members in regional organizations, defend the rights of its members</p> <p><b>Adherents:</b> 70 fishers, 59 vessels</p> <p><b>Membership</b> fees: not specified</p> <p><b>Services:</b> see website <a href="https://pescadodeconil.com">https://pescadodeconil.com</a></p> <p><b>Membership</b> devoted to low impact fishing methods (<i>artes menores</i>)</p>
Foreningen for Skånsomt Kystfiskeri <i>Association of Low Impact Coastal Fisheries Producer Organization</i>	Denmark <i>København</i>	2019	<p><b>Objectives:</b> Formed to take care of the interests of low impact coastal fishers, who fish with passive gears. To influence decision-makers and to improve the conditions for Danish small-scale, low-impact fishermen. To minimize the environment impact of fishing, to end dredging and work for a regulation of seals</p> <p><b>Adherents:</b> 60 low impact coastal fishers, 45 vessels.</p> <p><b>Fees:</b> Full members subscribe 1,500.00 Kr (+/- 200 Eur).</p> <p><b>Services:</b> fresh fish sales, with a labelling scheme being developed.</p> <p>Website : <a href="http://skaansomikystfiskeri.dk">http://skaansomikystfiskeri.dk</a> (only in Danish)</p>

CHAPTER 06

# Synthesis of Questions and Issues



## What are the main objectives of a producer organisation?

A PO enables fishermen to carry out fishing activities in a rational manner, to establish systems for managing their access to resources (quotas and other forms of fishing opportunities) and markets, and to improve the sales and marketing of their products.

POs have a strong legitimacy, being recognized at national and European level, and as such POs can be a powerful tool for bringing about positive change. To this end, a principle of delegation of powers allows POs to have greater autonomy in the management of fishing and marketing activities. They are also a tool to strengthen the representation, organization, and advocacy of SSF interests

## What are the main functions of a producer organisation?

- Engagement in decision making processes: advisory and decision-making functions, contributing to the decision-making processes in fisheries management at the following levels: 1) national and European, where they sit ex officio in a number of representative bodies; 2) international, in particular within RFMOs where their representation is more indirect and integrated in national delegations (contracting parties) as well as in observer entities representing professional interests;
- Delegated functions for the management of productive activities (fishing rights and opportunities), sales and marketing, and commercial development (ecolabels, niche products etc);
- Representation and defence of SSF interests in policy making and legislative processes;
- Internal governance functions (managing PO activities).

### How to set up a producer organisation?

- Create a legal entity with a board of directors composed of professional fishermen appointed/elected by their peers.
- File an application for recognition of the legal entity as a fish producer organisation with the competent state (administrative evaluation procedure);
- Develop and adopt a Production and Marketing Plan validated and checked by the competent authorities

### How much should it cost to become a member of a producer organisation?

- Membership fees can be freely determined and negotiated by consensus among the members. There may be a single entrance fee and/or an annual membership fee;
- When the PO is set up on the basis of share capital held by fishermen, it is generally the purchase of at least one share that gives voting rights to the holding member.

### What type of financing and governance?

- These elements should be determined by the statutes/ by laws of the PO;
- Governance must respect the essential principles of democratic functioning and the equal representation of PO members (with the fishers, by the fishers, for the fishers);
- Set up a management team to take charge of the activities in line with the objectives of the PO;
- The management team should be composed of at least: 1) the directors of the PO, generally the president and the board of directors elected by the general assembly of members; 2) the executive team of the PO, general-

ly the secretary or general manager and the persons in charge of ancillary functions (treasurer, chargés de mission, etc.).

- Arrange/find the necessary funding for the installation and operation of the management team and PO staff;
- Diversify the sources of income so that the operating and long-term investment costs of the structure do not depend solely on membership fees (limited contributory capacity of SSF): annual subscription, entry fee, management and/or marketing/ sales tax, national and EU subsidies, donations, legacies, development of services, research and development projects, etc.

### **How long does it take to set up a producer organisation?**

This depends on a number of considerations:

- Firstly, the cumbersome preparatory phase. It can take several months depending on the time needed to meet all the criteria for recognition as a PO: 1) the number of fishermen and vessels needed to compile a credible file eligible for recognition; 2) the complexity of the socio-professional context: size of the area selected, spatial distribution of members, diversity of techniques and target species, particularly complex and diverse in the Mediterranean;
- Secondly, the content of the complementary rules established by each Member State which specify the national criteria for the recognition of POs, in particular the administrative and decision-making deadlines which vary from one State to another. However, it can be considered that a complete file submitted for recognition can be the subject of a decision (granting or refusing recognition) within a maximum period of 6 months, although it may take longer.

CHAPTER 07

# Process for the Recognition of an SSF Producer Organisation

## - A French Example



The elements presented in this last part offer a direct observation of a PO recognition project carried out by a group of SSFs in the French Mediterranean. This case is currently being investigated with the competent services of the French State. The method elements, as well as the principles and generic content developed by this professional group are presented below.

### General context of GOLION's PO project

This initiative is supported by an economic interest group (EIG – GIE in French) created in 2014 by around thirty SSF in the French Mediterranean. Today, the number of members has doubled, which prompted them to engage in a process of requesting recognition as PO by French State. To do this, EIG GOLION has endeavored to meet all the conditions required at European and national levels<sup>4</sup>. The file was submitted in July 2020 to the competent administration.

In France, the criteria of representativeness of POs regarding their “sufficient economic activity” are fulfilled when at least 1 of the 4 following criteria is satisfied (alternative criteria):

- the number of vessels operated by the members is greater than or equal to 20% of the total number of vessels present (registered) in the area of activity of the PO;
- the production of the PO is greater than or equal to 15% of the total production of its area of activity (tonnage);
- the production of the PO is greater than or equal to 30% of the production in a port or market, located in its area of activity whose total production, all species combined, is greater than or equal to 1000 tons / year;
- If at least 30% of the PO's producers usually operate in one or more areas different from those where the vessels operated by its members have their home ports (port of registry), the economic activity is sufficient if the production of the PO is greater than or equal to 4% of the national production (tonnage).

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<sup>4</sup> Based on articles D. 912-144 à D. 912-149 of French Rural and Maritime Fishing Code and the Service Note DPMA/SDAEP/2019-406 01/05/2019

To this are added the other general criteria defined in European texts and which we have already described in the previous paragraphs.

The decision of PO recognition will be rendered at the beginning of 2021 by an order of the Minister published in the French Official Journal. A refusal decision shall be sent by duly motivated letter from the DPMA<sup>5</sup>.

The main objectives and advantages of these SSF PO supported by EIG GOLION can be summarized as follows:

- Rebalance the management process based on the characteristics, diversity and versatility of SSF (“from the bottom up”), in accordance with the historical foundations of fisheries management approach in the Mediterranean;
- Identify the expectations of fishermen, their specific constraints and the possible solutions in order to bring real “added value” through a SSF PO. Recalling that more than 85% of SSF fishermen in the Mediterranean are still not members of existing POs;
- Benefit from autonomy (self-governance) and delegated powers (rights and obligations);
- Protect / guarantee the components and identity of small-scale fishing, from production to marketing;
- Unify the SSF segment, in an integrated, complementary and proactive manner with existing representative institutions and decision-making authorities;
- Strengthen the administrative, logistical, human and financial resources of SSF;
- Develop / capitalize on existing systems / initiatives in terms of management and marketing / promotion of SSF products.

## Content of the PO recognition application file

We can only present here a summary of the process undertaken. The various elements developed provide chronological information for all the instructions imposed by the French State in terms of recognition and control of POs in the fishing sector. A summary table illustrates the essential characteristics of this approach.

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<sup>5</sup> In french : « Direction des pêches maritimes et de l'aquaculture ».

REQUIRED CRITERIA / CONDITIONS IN FRENCH LAW	EIG GOLION
<p><b>Filing of the file with the administration (Regional Direction of the Mediterranean)</b></p>	<ul style="list-style-type: none"> <li>- File submitted on July 8, 2020</li> <li>- Administration feed-back on October 2020</li> <li>- EIG completion on December 2020</li> <li>- Transmission of the administration's opinion (positive or negative advice) to the Ministry on January/february 2020</li> </ul>
<p><b>Constitutive legal act</b></p>	<p>Economic Interest Group (EIG): legal status registered on 01/01/2014 and amended on 02/18/2020, including internal regulations, designation of the board of directors and the management committee</p>
<p><b>List of members</b></p>	<p>Effective members: 46 ship / owner pairs  Membership intentions: 68 ship / owner pairs (evolving data's, new membership intentions are regularly recorded and included in the file)</p>
<p><b>Activity area</b></p>	<p>All of the French Mediterranean (3 regions) of FAO Zone 37 CGPM, Sub-zone 37.1 Western Mediterranean, Division 37.1.2 Gulf of Lion for the Occitania and PACA regions and of Division 37.1.3 Sardinia for the Corsica region</p>
<p><b>Production and marketing plan (PPC)</b></p>	<p>Highlighting the following characteristics:</p> <ul style="list-style-type: none"> <li>- Low, seasonal and very diversified production (versatility): on average between 4 and 7 tonnes / vessel / year and more than 80 species landed</li> <li>- Artisanal, regionalized and sustainable production: 1) no situation, no risk of overfishing, overproduction or discards; 2) territorial approach to fisheries management (system and principles resulting from prud'homies); 3) strengthening of SSF fisheries monitoring and traceability mechanisms</li> <li>- Sui generis, functional and adaptive governance: 1) establishment of a tight, complementary and responsive executive team; 2) development of regional offices in PACA and Corsica; 3) development of a network of local and regional partnerships (local authorities and stakeholders in the sea); 4) Reinforcement of involvement in professional organizations in the sector</li> <li>- An operational and constantly developing commercial strategy: 1) maximize economic development; 2) strengthen the development of the registered collective trademark GOLION, active since 2015 (identity, marking, traceability and product quality); 3) strengthen the commercial structure of GIE GOLION (premises, health accreditation, transport / logistics for fishermen and customers, human capacities)</li> </ul>

<p><b>Measures to achieve the objectives set out in Article 7 of Regulation (EU) No 1379/2013</b></p>	<p>All of the points were considered: - Adaptation of production to markets - Control of supplies and marketing - Product promotion (GOLION label) - Control of members' practices - Professional training and cooperation programs - Reduction of the impact of fishing on the environment (selectivity) - Information and communication technologies (marketing and prices) - Consumer information - Planning and collective management of the fishing activities of their members - Avoid and reduce unwanted catches - Manage the temporary storage of fishery products</p>
<p><b>Measures to adapt the supply of certain species</b></p>	<p>No difficulty in marketing or overproducing certain species - Develop means of transformation and storage of products</p>
<p><b>Sanctions and control measure</b></p>	<p>Cf legal status of EIG GOLION</p>
<p><b>Marketing methods</b></p>	<ul style="list-style-type: none"> <li>- Generalize (expand geographically) the added value of the collective mark GOLION</li> <li>- Extend the use of the mark / logo to all regions of the French Mediterranean</li> <li>- Improve the logistics offer and the collection and transport networks for members' products</li> </ul>
<p><b>Production in volume and value and number of member vessels. Comparative approach at the scale of the area of activity</b></p>	<p>According to the three regions of the French Mediterranean, members represent:</p> <ul style="list-style-type: none"> <li>- between 4 and 14% of active vessels</li> <li>- between 8 and 12% of production in value</li> <li>- between 5 and 13% of production in volume</li> </ul>
<p><b>Area of competence</b></p>	<p>Small-scale fishing as defined by the texts in force: "fishing navigation practiced by any vessel absent from port only for a period of less than or equal to 24 hours"</p>
<p><b>List of the main species fished representing at least 5% of the total production (volume and value)</b></p>	<p>Royal sea bream (various sparids), sea bass, red mullet, cuttlefish, octopus, sars, mullet, hake, pageot, various flat fish (sole, turbot), bluefin tuna, swordfish, rays and soups</p>
<p><b>Quotas / licenses managed by the structure</b></p>	<ul style="list-style-type: none"> <li>- 40.77 tonnes of bluefin tuna and swordfish</li> <li>- 10 categories of fishing licenses for a total of 95 authorizations.</li> <li>- Description of internal management methods: attribution, monitoring, control, sanctions, etc</li> </ul>

<p><b>Financial documents (draft budget)</b></p>	<p>Detailed amounts of income and expenditure:</p> <ul style="list-style-type: none"> <li>- Description of the various items and amounts of expenditure: rent, vehicle (insurance, maintenance, fuel), telephone, health analyzes, various trips, communication / valuation. Cell office equipment + closure</li> <li>- Description of the different sources and amounts of revenue (statutes): license fees (fixed and variable part), annual fees, 3% commercial tax, miscellaneous (grants, projects)</li> </ul>
<p><b>Recognition condition relating to economic activity</b></p>	<p>The number of vessels operated by the members is greater than or equal to 20% of the total number of vessels present (registered) in the area of activity of the PO</p>



