

ICELANDIC STAKEHOLDERS' PERCEPTIONS OF SUSTAINABLE AND COMPETITIVE SEAFOOD INDUSTRIES (SUCCESS H2020)



On-line survey, November, 2017.

OBJECTIVES

- ✓ To explore the views of Icelandic stakeholders towards the concept sustainability in connection with different seafood industry sectors:
 - i) fisheries,
 - ii) coastal fisheries,
 - iii) aquaculture
- ✓ To assess the perception of stakeholders in Iceland towards key themes influencing competitiveness:
 - "Regulations"
 - "Markets"
 - "Processing & transport"
 - "Seafood Value Chains"
 - "Sustainability"

On-line survey

The overall objective was to assess the perception of Icelandic stakeholders towards the concept sustainability and identify issues that may have an impact on the long term economic sustainability and competitiveness, in particular explore factors which were perceived to influence the Icelandic fisheries and aquaculture sectors.

The questionnaire included both direct and open ended questions and was sent by e-mail with a link to the on-line survey to a selected group of seafood value chain stakeholders in Iceland (approx. 2000). A total of 110 responses were obtained during the last week in November 2017 (response rate~6%).

Main results

Fisheries were considered "sustainable" by higher proportion of the respondents (75%), when compared with results from coastal fisheries (57%) and aquaculture (52%) (Figure 1).

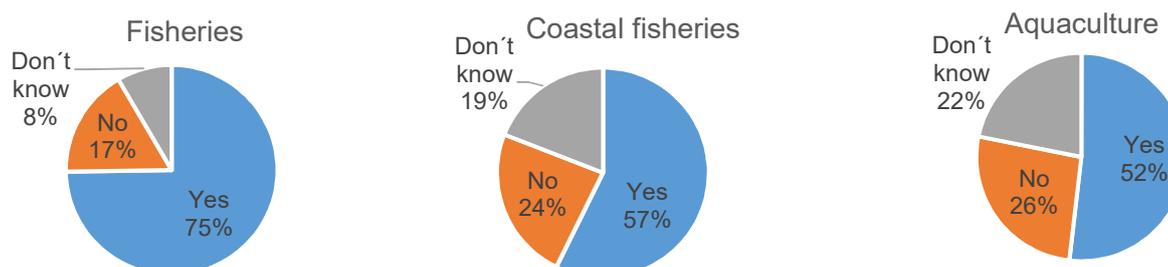


Figure 1 Do you consider ["Fisheries", "Coastal Fisheries", "Aquaculture"] sustainable?

STAKEHOLDERS' PERCEPTIONS TOWARDS SUSTAINABILITY

The majority of stakeholders considered **Icelandic fisheries** to be sustainable as reflected by following statements: "sustainable utilization of stocks which ensures optimal value creation for the future". "Fisheries are based on scientific research and they are controlled efficiently". "There is a common understanding and consensus in the community about these fundamental elements". However, there was awareness that some fish species are overfished.

Coastal fisheries were perceived as less economically profitable, but social and regional impacts were highlighted. The fishing was perceived to be controlled with caution and the fishing rules, restrictions and the framework for coastal fisheries are such that the impact on fish stocks were considered minimal.

It was noted that **aquaculture in Iceland** was a development in the right direction for the future, however concerns were raised regarding environmental impacts. The regulatory framework and standards implemented were acknowledged as follows: "All aspects of aquaculture strongly suggest that it is sustainable." [...] "If managed and operated according to best practices, the farming can be sustainable, but it requires knowledge and caution"

"Control of the chain is of benefit for the marketing and secures the sale of fresh produce" [...] "Market-driven industry, secure delivery and direct relationship with buyers."

"Icelandic fish processing industry is known as economically sustainable and therefore should have a competitive advantage". But there is competition in the market: "the competitors are ahead and they emphasize it in their marketing."

Fisheries

When asked if Icelandic fisheries were sustainable? Three quarters of the respondents agreed and some of those who did not agree mentioned “overfishing”. When analysing the comments of the respondents, the words that were frequently stated illustrate the issues linked to sustainability for example: “freshness, quota system, fisheries management system, responsible, valuables, economical, technology, efficiency, and employment” (Figure 2). Overall there was consensus on the role of the fisheries management system as the cornerstone of sustainability.

PERCEPTIONS OF FISHERIES

„Scientific management and the quota system ensures the protection of the stocks“

“An effective fisheries management system that motivates sustainability. Good monitoring and data collection on the resource utilization”

„Fisheries cannot be considered sustainable“, since „it is completely unknown what is taken from the resource“. [...] „those authorized to fish the resource do not comply with rules and ignore the scientific advice. “

[Icelandic stakeholders, Nov 2017]



Figure 2 “Top of mind” Please state the first thing that comes to mind when considering fisheries

Coastal fisheries

PERCEPTIONS OF COASTAL FISHERIES

“Coastal fishing are part of the total allowable catch and must comply with the same principles as other fishing practices to be considered sustainable

“The coastal fisheries are often associated with regional policy since they support regional employment. They are operated without direct support from the state or municipality and support regional affairs in the local environment with a positive impact on society as a guiding principle.”

[Icelandic stakeholders, Nov 2017]



Figure 3 “Top of mind” Please state the first thing that comes to mind when considering coastal fisheries

“Small boats, regional policy, job-creation, sustainability, a short distance”, were the words mentioned by the respondents, which characterise coastal fisheries, while, words like “poor quality, confusion, inefficiency and fish worms” can be perceived as negative characteristics (Figure 3).

The coastal fisheries have an image of *opportunities* and *self-employment*, and for some people it is a *hobby*. Moreover, the word *romance* can be linked to *rural areas*, *quality of life* and *environmental friendly*. It was stated that “The operating basis of coastal fishing boats can never be positive and can actually be regarded as a hobby (or salmon fishing of old fishermen) for those who own old outdated boats. Newer boats in better condition, are owned by those who have permanent quotas and pursuit coastal fishing to complement and supplement their daily operation, which is often not profitable.”

Aquaculture

PERCEPTIONS OF AQUACULTURE

“Strict rules, high standards, risk assessment, environmental assessment, local visits, carrying capacity assessment. There are few industries that are as well monitored as the Icelandic aquaculture.”

[Icelandic stakeholders, Nov 2017]

Seafood value chains

VALUE CHAIN GOVERNANCE AND THE INFLUENCE ON COMPETITIVENESS

Vertical integration that allows fish to be managed according to the need of the market was considered important and more efficient, rather than the sole focus on fishing.

"We do not control the value chain all the way to the consumer. The bulk of Icelandic fish is sold to intermediaries in other countries. [...]"

"The value distribution is not level since the processing gets a small part of the value added in the value chain". [...] *"The final price to consumers / customers determines the profitability of the industry".*

[Icelandic stakeholders, Nov 2017]

The ability to control all aspects of the value chain and to be able to respond to demand was considered the key to competitiveness.

"A holistic view of the value chain is a prerequisite for freshness and long-term competitiveness" [...] *"It is important for product quality, production and marketing to manage the value chain from A to Z".*

It was noted that differentiation must be in place and the competitive advantage was perceived as the high level of technology, product development in the fish processing, freshness and secure delivery of quality products.

"I believe that integration of fishing and processing gives a lot of advantage, but it is also a real monopoly that could cause a significant loss to the industry in the long run" [...] *"important to have an overview and cooperation in the whole chain".*

Markets

The drawback for Iceland is the distance from the markets:

"We are further away from the market than, for example, Norwegians."

Icelandic seafood is *"always in competition with products from other nations"*, and many are fighting for the same market: *"Important to ensure the reliability of deliveries throughout the year"* and *"achieve market differentiation"*

Authorities / Regulations

"The regulatory framework is essential, otherwise it is not possible to confirm sustainability"

However, it was stated that, *"the regulatory framework needed to provide much better control and surveillance"* for example surveillance of landings was mentioned. Others perceived that, *"the authorities were too restrictive"* and their view was that *"the regulatory framework was limiting for the sector"*. The view was also expressed that, *"limited access to the fisheries ensures profitability"*, while others emphasised the *"need for separation of fishing and processing"*

Processing and transport

QUALITY AND CONSISTENT DELIVERY

"Rapid processing of raw materials delivers better products and fast transportation between countries guarantee the freshness of products".

"Consistent delivery - security and freshness"
"Quality delivered to the consumer's table"

"Distance from the mainland markets, limits the transportation routes. On the other hand, there are good and fairly diverse possibilities of transport routes in spite of everything" [...]"

"It's important to maintain the quality and the quality reputation of the Icelandic seafood products. It is the processing and the unbroken chilled supply chain that matter most"

Sustainability

Key issues are to maintain the sustainability of the stocks for the future. However, it was noted that the definition of the concept "sustainability" was much wider and therefore *"sustainability must be viewed holistically in the context of environmental, social and economic impacts"*.

PERCEPTIONS OF SUSTAINABILITY

"the stocks should be utilised in a responsible way, so we will not eliminate the stock" [...] *"The sustainability of the resource is essential for the long-term competitiveness of the industry."*

"improve efficiency and collaboration in the supply chain from sea to land and to markets".

[Icelandic stakeholders, Nov 2017]

More Information:

The survey was organised by MarkMar as part of stakeholder outreach activity in the SUCCESS project:
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