

Desarrollo sostenible de las pesquerías artesanales en el Arco Atlántico

**Definition of Diversification Concept** 

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# Definition of Diversification Concept

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# Definition of diversification concept

#### 1. Introduction

Socioeconomic diversification in the fisheries sector is a new activity that has become increasingly important in recent years. The appearance of this type of activity has been mainly due to economic problems being suffered by fishermen because of over fishing, low prices achieved by the products and the continued increased costs of extraction activities. The development of such diversification initiatives is to compensate the reduction of future incomes, through the search of new incomes that can be obtained from other activities related with the sector and to use the resources sector partially. The existing situation, novelty of the activity and its growing development, has created a no definition around the concept of diversification. And this confusion is focused on determining the type of activities that can be considered as diversification and which are not. Therefore, it is necessary to correctly define the concept of diversification, so Administration and fishermen can clarify their doubts about managing, financing and legal and professional recognition.

#### 2. Materials and Methods

At the present time, there are different interpretations of socioeconomic diversification in fisheries. This is a direct consequence of the lack of definition of the activities under this new classification in the field of European funds for these activities. These relative new financing instruments that promote these diversification activities recommended the adoption of common criteria on this activity in Europe. This paper analyzes two possible definitions:

- a) a more restricted and developed within the project PRESPO, and;
- b) a broader, it derived from Axis 4 of EFF for fishing that allow a wide interpretation of the concept.

The definition developed within the project PRESPO is based in three basic principles: diversification initiatives are complementary activities and/or alternatives to their core business (extractive fishing); activities that generate additional income to those derived from capture; and performing work activities other than the capture fisheries as well as traditional sales system. All linked to the marine culture and without the need to follow with the extractive activity.

Regarding the concept from Axis 4 of the EFF, it does not define the concept of diversification or focus exclusively on these activities, but does provide the mechanisms for funding. Therefore, the concept of diversification is linked to the actual development of Axis 4, which is aimed at supporting sustainable development and improves quality of life coastal communities.

### 3. Results

As a result of these two strategies around diversification, there have been two interpretations of the concept of diversification:

a) Restrictive definition: there is the perspective of diversification given by PRESPO project, which diversification activities are those focus on increasing economic resources, reducing the pressure exerted on the resources and highlight the value of fishing activity, making it more attractive and encouraging access to it. This concept is considered restrictive because it considers that initiatives should incorporate the fisheries sector into the development of the projects, and not only affected by the results generated, i.e., those affecting fishermen from outside the own sector. So, the only link existing with fishermen is how they are affected by the development. This way to diversify is been used in France and Galicia, and allows to classify the type of initiative in terms of its activity. They can be differentiated into 5 types, which we call axis of diversification: a) "Marine tourism", which are initiatives of tourism linked to the sea, as routes, sea accommodation or fishing tourism; b)"New markets and new products", reaching untapped markets and developing products that did not exist; c) "Sustainability and new technologies", which take advantage of technical advances for the sector development, as the actions like environmental agents such as the use of green fuels; e) "Governance", allowing the fishermen take pat into the management of the fisheries; and e) "Social and training activities", focusing on personal aspects of fishermen and aims to improve the quality of life of them, either training or providing essential services.

Clear examples of the initiatives contained herein are: 27 Percebeir@s (Galicia), where barnacles catchers have created a company to use a product that was previously rejected; Marco Polo project (France), focusing on fishing tourism activities; Sur Algae (Andalusia), which work with the fishermen association of Barbate to use algae for food, cosmetics, etc.

b) Wide definition: the entry into effect of Axis 4 of the EFF and its relationship with diversification have been created fisheries local action groups in order to coordinate a series of projects for the development of coastal communities. These supra municipals groups are formed by different agents, public and private of this area, giving an especial role to those belonging and related with the fishery sector. Each of these groups has a territorial of their own where to act and, through the elaboration of a strategic area plan, is responsible for dynamic and develops a series of actions that are considered necessary, and that will encourage innovation and diversification for maritime professionals. This second approach blurs the edge of the original concept of diversification, limiting the presence of the fisheries sector to decision-making these groups when selecting projects. Thus, the fishing industry decides on projects that are considered important for the fisheries sector, without a rigorous analysis on the approach to diversification that this activity may have. This concept is not restricted to the diversification fishing, but to promote activities to increase the wealth of the territory<sup>1</sup>. Possible examples of an initiative that can be developed within this concept are the coating of wood from a ride in a coastal area that involves the creation of jobs in the area dependent on fishing.

Although initially this is the route used by the axis 4 of EFF, in case of France and Spain, in certain regions, these funds are used according to the restrictive definition. Thus the approach to the concept of diversification is totally linked to fishing. In these cases the public decision-makers choose the interpretation at the time of implementation aids from Axis 4 of EFF.

## 4. Conclusions

Two concepts of diversification discussed here offer two alternatives and different ways that contribute to finding solutions to the problems existing today in the artisanal fisheries sector. While the wide concept, supported by Axis 4, allows the creation of numerous initiatives that can or cannot have any link with the fishing industry, or even limit this relationship to a formal aspect to ensure the representation of the fisheries sector into decision-making body of the Local Action Groups. Fishing sector can select projects that have greater connection or interest for them into these groups. Thus, the

<sup>&</sup>lt;sup>1</sup> FARNET, in press. Guide of the diversification.

laxity in the concept of diversification can be understood as an incentive to restructure the sector, in which the only requirement would be the sectorial origin of the initiatives promoter.

On the other hand, the restrictive concept of diversification is focused on the fisheries sector and development activities by themselves, without promoting a change of activity. As the own definition of diversification indicates, it is only convert to multiple and diverse what was uniform and unique previously. Therefore, fishermen have to be involved in the development of the initiatives and should not be forced to leave their extraction activity, because otherwise we are talking about a restructuring or change of activity.

Using one of the two concepts, rather than another, will have different consequences in the fisheries sector and the coastal community. The diversification concept developed in the PRESPO and, as such, promoted by this document focuses on the fisheries sector as a principal of diversification activities and promoters of the socioeconomic diversification in coastal communities. This concept offers different ways to mitigate the loss of income suffered by the current situation. Nevertheless, the wide concept, promoted by the Axis 4 of EFF, seeks the development of the coastal communities carrying out initiatives to improve the standard of living.

To sum up, the restrictive definition is that we keep in the PRESPO project since it offers a greater potential when talking about socioeconomic diversification of the fisheries sector, ensuring the development of coastal communities.