

# sailing towards 2020



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## Job creation and inclusion

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*Job creation is a challenge everywhere in Europe, including in fisheries dependant areas, whether coastal or inland. Nevertheless, most fisheries areas have specific opportunities they can tap into, outside of traditional fishing activities. A challenge, therefore, is to broaden the scope of local activities and move beyond strictly sectoral approaches, without losing the fisheries know-how and identity which has shaped the area.*

### **The challenge**

Data on employment and poverty in Europe shows a worsening situation since the beginning of the economic crisis, with this trend still continuing in some Member States. Currently a total of 24 million European are without employment. The situation between countries is very different, even more so than before 2008, and FLAG areas can find themselves in very different situations, depending on where they are situated geographically. For example, the unemployment rate varies from less than 5% in Germany to 26% in Greece and the gap is even wider for young people with youth unemployment varying from 7% in Germany to 51% in Spain

As regards the poverty rate (the percentage of people living with less than 60% of the national average income), this varies from 10% in the Netherlands to 23% in Greece.

Promoting social cohesion and job creation in fisheries dependent areas is one of the priorities of the EMFF.

### **How to address this challenge?**

Job creation is directly linked to the overall revenue<sup>2</sup> available in a given area. Therefore, FLAGs can focus on three aspects:

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<sup>2</sup> A French economist, Laurent Davezies is a specialist on the economic base theory. A synthesis of his work is presented in this publication of the French Senate:

<http://www.senat.fr/rap/r12-271/r12-27119.html>. A broader view of base theory is presented in this Swiss document : "The circulation of wealth. Beyond Economic Base Theory: Alternatives to Productive Economics? The Role of the Residential Economy in attracting Income to Switzerland." Alain Segessemanne.

[https://www2.unine.ch/files/content/sites/maps/files/shared/documents/wp/WP8\\_2013\\_E\\_AS.pdf](https://www2.unine.ch/files/content/sites/maps/files/shared/documents/wp/WP8_2013_E_AS.pdf)

- Firstly, **creating revenue**, or what economists call “the productive basis” of revenue. This relates to the income generated by goods and services produced within the area, including fish, and sold outside;
- Secondly, **attracting external revenue**, let’s call it “the residential basis” (see box below). This is income not generated in the area but coming from outside, such as the salaries of commuters, the pensions of retirees, revenue from tourists and second home-owners;
- Thirdly, developing local activities to **ensure the local spending** of these revenues, (productive and residential basis), in order to stimulate the local economy and create local jobs.

### 1. Creating revenue

- **Within fisheries:** by stimulating the « local fisheries sector », providing support to small scale fisheries, processing and distribution. The aim is to prioritise fishing methods that create more local added value, and therefore more revenue. The working group discussions at the [Sailing Towards 2020 conference](#) focused on employment opportunities and proposed that the fisheries sector still has considerable potential: “for every job at sea, there are four on land”, as one participant emphasised, underlining that potential. Lesser known fish species (often landed as by-catch) could be promoted through awareness raising campaigns within the community (schools, restaurants, websites), and by supporting research on the processing of these species to produce secondary products, as well as the marketing of these new products.
- **Outside fisheries:** by promoting the “**blue growth**”<sup>3</sup> dimension of the new fisheries and coastal policy, which encompasses a broad range of activities, from agrifood and manufacturing to a number of marine related activities, such as:
  - marine environmental services linked to protected areas;
  - marine biotechnology (bio products, the use of seaweed, marine cosmetics...);
  - marine energy production.

### 2. Attracting external revenue

Consider the number of tourists that visit your area every year (and tourism remains an underdeveloped opportunity in a number of coastal and inland fisheries areas), along with the number of second-home owners, retired people, commuters living in the area but working in a nearby town or city etc. These numbers really start to add up! These people bring revenue to the area, and are ready to spend it if they find the right goods and services locally, such as quality leisure activities (art, culture and heritage, sport), attractive shops, typical local markets and restaurants, services for all ages but namely well-being services, house-keeping and gardening.

### 3. Ensuring revenues are spent locally

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<sup>3</sup> To go more in depth, have a look at the document dedicated to “blue growth”

The key point here is to ensure that revenue coming from the productive and residential bases (generated locally and attracted inwards) are not lost, or in other words, spent elsewhere.

This revenue will only realise its **potential to stimulate growth** when the FLAG and the local community ensure its local expenditure. This implies a need to structure the local product/service offering (e.g through networking of local actors, within sectors and between sectors) and develop **short circuits**, which requires:

- the local design of products and services (keep them authentic, typical and tailored to demand);
- co-production with the beneficiaries, in particular for innovative and high quality services;
- local and direct sales: the zero kilometre concept.

### ***Why is the « residential basis » so important for coastal areas?***

In any given Member State, there are places where most of the added value is produced, namely the big cities, and places where the revenue generated is spent, and both geographies don't always coincide.

Fortunately, many fisheries areas are places where revenue is spent. The residential economy is, therefore, a key area of potential, which is often neglected by local development actors.

If we look at the average situation at local level ("travel to work" area) in France<sup>4</sup>, the overall available revenue can be divided into four components:

- productive basis: 22%
- residential basis: 45%
- public basis (salaries of public sector workers): 10%
- social basis (social and health benefits): 23%

In most coastal areas in France, the share of the residential basis is higher, varying between 60 and 80%, which highlights its importance in terms of addressing the challenge of job creation.

The residential basis is also linked with the **overall attractiveness of coastal areas** in Europe. Most are perceived as desirable places to live and, as a result, average population **densities** are higher than inland. If we look at the population trends from 2001 to 2012, we see that in most coastal areas the population has increased by more than 5%.

The demographic of coastal areas also has a **specific age group pyramid**, with a higher percentage of over 60s compared to the national average. Remember that retired people moving to the coast have, on average, higher levels of income than local people!

The **attractiveness of coastal** areas is therefore an asset, and an interesting point worth remembering is that the fishing activity itself is a component of this attractiveness.

Small scale fisheries are clearly **multifunctional in nature**. It's not just about fish!

<sup>4</sup> Figures coming from <http://www.senat.fr/rap/r12-271/r12-27119.html>

- Of course, fishing is first and foremost a **productive activity** (part of the “productive basis”), providing direct and indirect jobs.
- But it also provides a “**public good**” with many « positive externalities » or knock-on effects:
  - area’s attractiveness, and is often used to market the destination.
  - Fisheries can play an **environmental function**, including monitoring natural fisheries resources or collecting waste.
  - They also play a key role in the **identity** of the area, and in promoting social cohesion. Fishing is often a way of life for the community, with the small scale vessels holding together the social fabric.

And last but not least, fisheries have a “**territorial function**”: the fishing activity contributes to the This last dimension is linked to the very existence of fishing boats in the area: indeed, surveys point to the fact that **fishing boats are a decisive attribute** for site selection by tourists. For example, it is the first criteria for Dutch tourists, the second, after the quality of the beach, for French tourists, and the third, after beach quality and coastal walks, for Belgian and English tourists.<sup>5</sup>

The influx of tourists attracted by fisheries activities is an opportunity for fishermen to add value and is also a component of their **diversification** options:

- Direct sale and opportunities to raise the profile of locally caught seafood;
- Taking passengers on board and pesca-tourism activities (for example the [Bassin d’Arcachon project](#) presented in the exhibition). The working group underlined the potential of this area of diversification as a solution to help overcome fishing seasonality in some areas, for example, helping the Mediterranean fishermen to generate income during the summer season when less fishing takes place. However, the legal restrictions and lack of harmonization of rules are hampering the development of pesca-tourism in many areas.

The residential economy therefore offers a valuable opportunity to help maintain or reinforce the sustainability of small scale fisheries, supporting a virtuous circle, where **fishermen are clearly part of the solution**.

### ***Maximising job creation, ensuring inclusion***

We have looked at the opportunities to create jobs in response to the demand emerging from revenue generated or attracted. However, it is also important to consider how best to maximise the job content of local development, while also ensuring inclusion. Several questions arise in this regard:

#### **1. How to maximise the job content?**

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<sup>5</sup> 2014 "Pêche et tourisme, construisons une dynamique" session 2 Carole ROPARS-COLLET

Actes des journées professionnelles de Rennes- Juin 2014 -GIFS Action 3.3, page 12-15

[http://halieutique.agrocampus-ouest.fr/pdf/Actes\\_seminaire\\_p%EAche\\_tourisme.pdf](http://halieutique.agrocampus-ouest.fr/pdf/Actes_seminaire_p%EAche_tourisme.pdf)

GIFS ( Geography of Inshore Fishing and Sustainability) report, Action 3.3: "Fishing-tourism along the coastline of the English channel" <http://halieutique.agrocampus-ouest.fr/pdf/4642.pdf>

- First of all, the FLAG should, when designing and implementing its strategy, take into account the **employment dimension of projects**, and give priority to those impacting in a positive way on employability and employment;
- A second important element is to ensure the **sustainability** of activities supported and jobs created, for example, by:
  - promoting the diversification of fisheries to maintain primary sector jobs;
  - extending the tourist season in order to minimize temporary employment;
  - developing and using new skills, such as those required to provide innovative services to tourists and retired people.
- And thirdly, FLAGs should support **new and young entrepreneurs** in their area, through:
  - specific training tailored to individual needs;
  - coaching and mentoring, and networking of local enterprises (for example, the [EMPREAMAR](#) project presented in the exhibition);
  - financial support, including innovative methods like crowd funding, to complement the limited budget of the FLAG (the [Annan Harbour project](#) presented in the exhibition demonstrated that crowd funding not only provides money but also visibility).

## 2. How to ensure that jobs created or maintained also benefit those most in need?

First of all, the local strategy should start by identifying the specific **groups to be targeted** in the area: young people, women, immigrants...?

Then, with the limited resources available, **choices will have to be made**, taking account of the implications for the achievement of the strategy; for the kind of partnership to establish, in collaboration with other organisations, public bodies and NGOs; and of the need for animation and support activities.

In all scenarios, two main target groups must be considered:

- **Women**, considering the vital role of fishermen's wives in maintaining and sustaining fishing communities, and the need to help them to self-organise. The working group highlighted the difference in the situation of women between Member States. In some fishing communities a lot of awareness raising (trust, confidence building) is needed, so that women feel able to start an economic activity of any kind, as well as a mentality change among the men in those communities, to accept this role for women.
- **Young people**, including the skilled as potential entrepreneurs and the unskilled as the primary target for inclusion pathways. This could be in fisheries, as in the [Cornwall FLAG's project](#) to train unemployed young people with the support of part-time and retired fishermen, presented in the [Sailing Towards 2020](#) exhibition. Participants emphasised the use of a new tech/ social media component to make training more appealing to young people. Indeed, a new image and a more modern job profile were considered by the working group as essential to changing the poor reputation of fishing as a career opportunity.

**Inclusion pathways** do not have to mean poorly paid jobs. They generally start with tutoring and work experience, including non-paid work, move on to opportunities in low skill employment, often

linked to the residential economy (for example, house-keeping or gardening), but eventually can lead to new qualifications and skilled jobs.

Remember that **poverty is multidimensional** and not only a lack of employment. It is also related to education, culture, access to housing, services, finance, etc. and requires good cooperation between all the relevant local social services and NGOs if it is to be tackled effectively.

### **FLAG action**

1. To sum it up, we can identify **five steps** for FLAG action to address the challenges of job creation and inclusion:

- Start with a good **area analysis**, identify local resources and estimate the potential of both the productive and the residential basis;
- Develop, maintain or reinforce your area's **attractiveness**, upgrading its image by improving amenities, quality of life, services and the local identity;
- Maximise **local spending**, taking into account of the specific demands of tourists and retirees;
- Support the **creation of jobs and local enterprises** that aim to satisfy this demand;
- Implement actions and mechanisms to ensure that the **most in need** can benefit from the jobs created.

2. **In order to deliver these five steps in an effective way, social innovation and the right methodology are key!**

- Favour a **holistic approach**, which is multi-sectoral, links the sea, coast and land, and promotes networking between the various stakeholders. This means integrated projects instead of a collection of individual projects; a good example presented in the Sailing Towards 2020 exhibition is the [Nyköping river project](#), which mixes environment, energy and tourism.
- Organise **co-management** of goods and services as a solution to local problems. In other words, ensure that local people are the architects and engineers of sustainable development, taking responsibility for something they own themselves. Remember, **social innovation** is achieved WITH (the co-design of solutions and services) and BY (the do-it-yourself grassroots initiatives) not FOR the local population (the classical top-down approach, with the temptation to decide what is good for others)

The role of the FLAG is to make such self-activating responses viable and visible. This is why the role of capacity building should never be under-estimated.

3. **Good FLAG governance**

- In implementing projects at local level, the way to success is not to simply copy solutions considered elsewhere as "best practice". Such examples can be invaluable as a source of ideas and inspiration; however, the contents of any project must be adapted and tailored to each context. Scale up the methodology, not the content!

- A key condition of efficiency is **networking**: without a strong local network, the best ideas will never impact the situation. Isolated individual projects should be the exception, not the rule, as is often the case now.
- Use the **CLLD approach** and focus on:
  - local analysis (a collective stakeholder analysis, not a consultant’s analysis!): in a holistic approach, understanding the local context is a condition of good decision making and an effective strategy;
  - capacity building: the FLAG needs to strengthen the social capital of the area and empower the local population, and this takes time...;
  - engaging citizens in local partnerships in order to give them ownership of their future;
  - revisiting your membership to give a voice to all the stakeholders.

It’s a demanding challenge but worth the effort!

The **working group** discussions held during the **Sailing Towards 2020 Conference** focused in particular on the **types of employment** that could be supported and the **key target groups**. A majority of participants considered that the fisheries sector still had much potential to offer in terms of employment opportunities with only a few wanting to focus FLAG support on job creation outside the sector.

The group discussions allowed an exchange on the current experience, and to discuss specific actions related to job creation and how to make them more effective. The main **conclusions** for the **FLAGs** were the following:

- A high potential to create jobs in FLAG areas lies in **adding value to products**. Keeping these activities within the area ensures that new jobs are created locally as “**for every job at sea, there are four on land**”, quoted one participant.
- More specifically, “re-valorization” of **less known fish species** (often landed as by-catch) carries a potential for job creation: awareness campaigns for consumption within the community (e.g. via schools, restaurants, website); research for processing less known species into secondary products; and marketing of these new products etc. are some possible development pathways.
- **Diversification**, with a focus on tourism, was seen as a possibility to overcome fishing seasonality in some areas, e.g. pesca-tourism activities could help the Mediterranean fishermen create income during the summer season when less fishing takes place. However, **legal restrictions** and lack of harmonization of rules hamper the development of pesca-tourism in many areas. Some suggested that an EU directive setting the corner stones for pesca-tourism could help Member States adapt their national/regional legislation in this regard.
- **Young people** came out as the **most important target group** for job creation. Training, coaching, mentoring, twinning with experienced fishermen were mentioned as key activities to carry out in the new programming period for ensuring the young enter the fishing sector. **A new image** and a more modern job profile was considered essential to change the poor reputation of fishing as a job opportunity, along with securing access to fisheries resources (quota).
- Other important target groups included **small scale fishermen** and **women** in coastal

communities (fishermen's wives and others):

- **Small scale boats** are, for example, a **key component of an area's attractiveness** and can therefore be important for attracting residential revenue (see box on residential economy above). However, the small scale sector faces difficulties to improve, modernize or diversify its activities with one of **the main limiting factors being access to credit**. Tools such as **microcredit, guarantees and low rate credits** could help with this situation.
- The situation of **women** in fishing communities varies significantly between the Member States. In more closed fisheries communities a lot of **outreach work** towards women (to build trust and confidence) is still needed to help them feel able and **empowered** to start an economic activity of any kind (in fisheries or elsewhere).
- Little progress seems to have been achieved for the disabled and the excluded, the involvement of FLAGs in this respect still needs to be explored.

In terms of the **framework** to be set up to facilitate job creation, the key points were the following:

- Simplifying and making the **delivery system** of Axis 4 (CLLD) **more flexible** is **essential** for providing FLAGs the possibility **to support job creation** in their areas (ensuring a clear division of responsibilities and roles between MA and FLAG, smooth procedures for small scale projects, etc.)
- **Increase the budget for the FLAGs** (a critical mass is required to make a difference in terms of job creation)
- Support regarding the **availability of financial tools** such as microcredit, guarantees and low rate credits (through brokering agreements with banks and credit associations etc.)
- Improve **national/regional legislation** which currently prevent diversification activities for fishermen (e.g. to allow for **pesca-tourism** activities)
- Improve **national/regional legislation** to encourage the **young people** to look for employment within the sector (privileged access to fisheries resources,...)