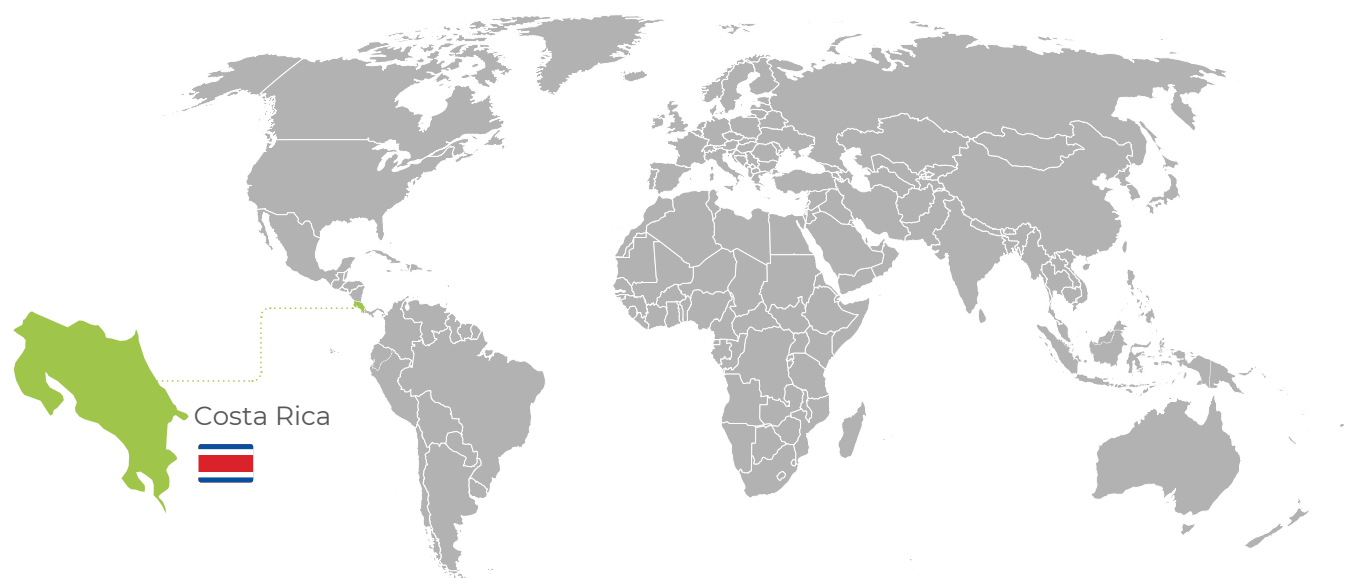




Leadership, creativity and patience:

## **Lessons from the early stages of a national FIP in Costa Rica**



# Introduction

**A**s the Global Marine Commodities (GMC) Project and its facilitating partner Sustainable Fisheries Partnership (SFP) continue to enable industry-driven improvements to sustainable seafood production, one theme that has emerged in recent years has been the growing need to produce Fishery Improvement Projects (FIPs) on a larger scale, even to the point of having national-level FIPs. During Seafood Expo North America in March 2019 in Boston, the GMC Project helped produce a side event and a panel discussion to present and examine lessons learned from efforts to create a national-level FIP in Costa Rica.

The panel was comprised by 5 individuals, some of whom have been deeply involved in the formulation of the [Costa Rica Large Pelagic Longline and Green Stick FIP](#): Zacarías Ayub, United States Trade Commissioner of the Costa Rican Foreign Commerce Promotion agency (PROCOMER); Sandra Andraka, National Platform Coordinator of the Costa Rica Large Pelagics Sustainable Fisheries Platform from the United Nations Development Programme (UNDP), Ana Victoria Paniagua, Executive Director of the National Chamber of Exporters of Fishing and Aquaculture Products; Robert Nunes, Representative of the National Chamber of Longliners; and Chris Wirges, CEO of Chefs Trading, a US-based company that imports seafood products from Costa Rica.



## The need to scale up improvements

The FIP model [has expanded rapidly over the previous decade](#) as a market-based solution to generate improvements toward sustainable fishing worldwide. FIPs have adopted many different shapes and organizational structures depending on a number of factors, but among them, [meaningful participation from a significant proportion of fishery stakeholders](#) stands out as important to affecting the scale of positive environmental impacts a FIP can have. For this reason, the need to upscale FIP coverage and develop national-scale FIPs is key to ensuring a higher level of impact for a single improvement effort.

Another argument in favor of scaling FIPs to a national level is to avoid overlapping or competing actions. To ensure impact at an appropriate scale and improve coordination, FIPs may benefit by unifying efforts and involving the whole range of actors who take part in a specific fisheries management unit.<sup>1</sup>

While a management unit may not cover the whole range of fishers harvesting from a given fish stock, it sets an ideal level of coverage for achieving improvements in the governance system of the fishery (Principle 3 of the [Marine Stewardship Certification, MSC](#)). Improving fisheries governance is largely dependent on working closely with and making targeted and reasonable requests of the relevant management authorities – either national (state bodies) or regional (Regional Fisheries Management Organizations).

For this reason, creating larger-scale FIPs, and going national whenever possible, can help

generate the necessary private sector clout to gain support from national and regional authorities for making improvements to fisheries governance and management.

Under this premise, Costa Rican large pelagic fishery stakeholders have been working together in order to transform a small FIP initiative involving some actors in the supply chain into a national scale initiative involving all representatives from the producing sector. In efforts to expand the reach of its improvement efforts, the newly launched national-level [Longline and Green stick Large Pelagic FIP](#) participated in the process of constructing the 20-year [Large Pelagic National Action Plan](#) and more recently collaborated with the [Regional Committee of Mahi-mahi \(COREMAHI\)](#). By engaging with COREMAHI, the FIP aims to identify common needs with their mahi-mahi producing peers in Ecuador and Peru and together lobby their national representatives to achieve the needed policy changes at regional level for the sound management of mahi stocks.

In summary, actors in the Costa Rican Large Pelagic FIP have taken steps to nationalize and regionalize the scale of the impact of their improvements. However, participants in the panel stressed that achieving this multi-stakeholder collaboration and determining how best to influence national and regional fisheries policy has not been an easy task. The following is a summary of the principal lessons learned discussed by panelists at the SENA event.

<sup>1</sup> A "management unit" refers to the state defined categorization of a target stock(s) combined with the fishing method/gear and practice (including vessel type/s) pursuing that stock.



Lessons learned  
from the early  
stages of a  
national scale  
**Longline and  
Green Stick  
Large Pelagic FIP  
in Costa Rica**



## 1 Finding the right state actors to engage in the FIP requires strategic thinking and creativity

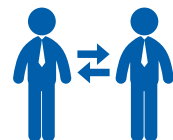


The role of state institutions in FIP development and implementation very much varies on a case by case basis. For FIPs that are not in need of policy or legal reforms, partnering with the state may not be necessary; but for those that do require policy action, seeking state collaboration and alignment is strategic.

**Collaboration between FIPs and state institutions can take many forms depending not only on the needed improvements, the state division of roles and responsibilities, and the existence of consultation or co-management mechanisms, but also on factors such as the historical relationships between management authorities and fishery stakeholders, the political agenda of authorities or simply the availability of economic resources. In many cases, it is most important that FIPs engage the fisheries management authority, however governance systems vary considerably, and other state bodies such as environmental ministries or institutions linked with export and commerce may also be key.**

As described during the session by Mr. Ayub, the large pelagic fishery's sustainability efforts align very well with the Costa Rican government's policy aimed to differentiate national products in global markets. Seeking the right partnerships beyond the fisheries management authority may be beneficial, but the important takeaway is to "be creative" in finding the right formulas and developing innovative solutions to bring the appropriate state actors to the table.

## 2 Engaging the right agents of change can help create a "critical mass" to attract relevant stakeholders to participate in the FIP



Panel participants repeatedly highlighted that effective engagement and securing commitment from key actors are two core characteristics of successful FIPs. Successful FIPs must ensure they invite all appropriate agents of change to participate in the FIP design and implementation process (i.e. those who are willing to invest time and effort in improving the sustainability performance of a given fishery, and/or those who are interested in making investments to ensure future generations maintain their livelihoods).

**While many FIPs face challenges trying to inspire competitors to cooperate toward a shared goal, once key agents of change are engaged in the FIP, other hesitant actors are more likely to join. With a larger section of national actors participating in a given FIP, there appears to be a higher likelihood that actors will commit to the longer-term development of the initiative.**



### 3 Up-front transparency regarding FIP timelines is **critical to secure commitment from stakeholders in the medium to long-term**



To develop a national FIP, members must attain broad representation from producers, processors, exporters and support from suppliers in mid and final markets. Getting everybody on board takes time – sometimes several years. Participants on the panel highlighted that it is recommendable to be fully transparent regarding the timeline for FIP initiation and implementation, so that participant support does not dry up in the middle of the initiative.

For example, developing baseline documentation (i.e. an MSC pre-assessment and a workplan) can take between six months to one year. But even once the workplan is established, reaching agreements regarding how to fund the work plan and responsible parties can be complex and sometimes contentious. This “behind the scenes” FIP building process is critically important and must occur before the FIP is officially launched and made public on FisheryProgress.org.<sup>2</sup> Mr. Wirges said patience is crucial for seafood importers, as market actors may not be accustomed to the timeframes needed to carry out the complex engagement processes needed to get FIPs up and running.

### 4 Establishing a FIP funding reserve can be a useful risk **management strategy to help ensure FIP implementation even during times of low production**



Depending upon the scale of improvements needed, FIP implementation can carry a hefty price tag. FIP funding is needed to produce scientific outcomes, hire expert consultants, and cover the costs of meetings, workshops and gear improvements. FIPs can be funded in a variety of ways, and there are several examples of successful FIP funding arrangements.

Some FIPs work on an ad hoc basis, by sharing implementation costs amongst participants on an annual basis. Others work under funding schemes by which the different players in the supply chain regularly contribute a fee that depends on the volume of business for a given period (a fee per ton of seafood product purchased, or a percentage of total sales cost, etc.). Ultimately, all funding schemes (either ad hoc or through regular contributions) very much depend on the supply of product

<sup>2</sup> [www.fisheryprogress.org](http://www.fisheryprogress.org) is a one stop shop for information on active FIPs across the globe. The FisheryProgress website publishes FIP progress ratings based upon an evaluation system developed and carried out on a regular basis by SFP.





during a given period. Since seafood tends to have variable production levels, overexploitation or environmental variability can generate funding shortages for FIP implementation.

As pointed out by Ms. Paniagua, despite the sector's support, discontinued funding is a significant risk for the continuity of the Costa Rican Large Pelagic FIP. Paradoxically, declining catches over a given period (a feature of many fisheries facing sustainability challenges), can further threaten the ability of the private sector to contribute financially to implement a FIP. Additionally, for those fisheries that are highly reliant on specific environmental variables, there is an added risk that certain changes could drastically reduce production and thereby available funding for FIP implementation. These fisheries might benefit from establishing a FIP funding reserve for periods of low production.

## 5 Charismatic leadership within the FIP is critical to bring the right stakeholders to the table and help advance the FIP initiative



FIPs need strong industry leaders who push the ball forward and convince sectoral partners and supply chain actors to contribute to FIP design and implementation in meaningful ways.

Agents of change can make a difference and can be key in catalyzing improvements in contexts of limited demand, such as in the case of [“bottom up” FIP initiatives](#), when national fishery stakeholders initiate a FIP in hopes of accessing new markets or buyers with sustainability commitments. With or without enough market demand for sustainable seafood products, the presence of charismatic leaders who break the ice is crucial. Robert Nunes summarized it nicely when he said “leadership” is a key ingredient in the recipe for a successful FIP.



# Global Marine Commodities

for sustainable fisheries



The GMC Project is an interregional initiative implemented by the Ministries and Bureaus of Fisheries, Production and Planning of Costa Rica, Ecuador, Indonesia and the Philippines, with technical support of the United Nations Development Programme (UNDP), facilitated by the Sustainable Fisheries Partnership (SFP) and funded by the Global Environment Facility (GEF).

## For more information visit:

[www.globalmarinecommodities.org/](http://www.globalmarinecommodities.org/)

## Follow the GMC Project

 Global Marine Commodities

 @GlobalMarineCo1