



Book of Abstracts

**2018 Biennial Conference of the
International Institute of Fisheries Economics and Trade**

Adapting to a Changing World: Challenges and Opportunities

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Integration of small scale fish farmers and processing industry in developing countries: Case study of aquaculture value chain in Brazil

Part of

Economics of Aquaculture (4)

11:00 AM - 12:30 PM

Major Theme

Economics of Aquaculture

Abstract

Most of fish farmed by small scale producers in developing countries is sold directly to local markets without passing through a processing industry. Besides problems related to sanitary requirements, this situation highlights the low added value retained by fish farmers. In Brazil, the integration between small scale fish farmers and processing industry is restricted to few cooperatives, mainly at southern region. Despite many fish processing plants are operating in different regions of the country, the majority of producers doesn't access these industries. This lack of integration results in many problems as: (a) low quality of fish due to absence of sanitary control; (b) great informality; (c) impossibility to access supermarket due to lack of sanitary requirements; (d) low added value. The present work is based on the case study of the aquaculture in the state of Tocantins, northern Brazil, by using the approach of Global Value Chain (GVC). The methodology consists in a qualitative process based on face-to-face interviews with value chain agents. The analysis and triangulation of data relies on the GCV approach, especially concerning the governance between the value chain agents. This situation has reinforced the emergence of new governance structures lead by the processing plants, which are increasing their own production and implementing contracts of supplying with large producers. It results in more vertical governances with a power control in industry hands. This governance enables the industry to obtain the margins that used to remains with fish farmers and middlemen in the case of informal market.

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