



**AFRICA
INTERNATIONAL
TRADE & COMMERCE
RESEARCH**

TRADE POLICY BRIEF

ADDRESSING AFRICA'S BARRIER TO TRADE IN
THE FISHERY INDUSTRY



ABSTRACT

The fishery sector contributes significantly to Africa's livelihood and rural economy. With well-designed policies and target interventions such as the World Bank Global Program on Fisheries (PROFISH), the West Africa Regional Fisheries Program (WARF-P), the Southwest Indian Ocean Fisheries Governance and Shared Growth Program, the African Continental Free Trade Area (AfCFTA) Agreement, and individual country policy reforms, could address the challenges of food insecurity in Africa. Given the challenges faced by Africa's ocean fishery sector, expansion of the aquaculture ecosystem would be required to supply the rising fish demand. According to available data, African countries continue to be net fish importers, creating opportunities for Afrocentric entrepreneurs. As a result, this policy paper proposes policies that would promote sustainable fishery growth, allow international and intra-African trade, and reduce post-harvest losses while removing trade barriers.

INTRODUCTION

The global trade in fish and fishery products has recently grown tremendously, as depicted in Figure 1. Fish production increased to 178.10 metric tons in 2021, up from 148.10 metric tons in 2010. Fish is one of the most regularly consumed foods in the world. An estimated 45% of the total fish caught are traded internationally.¹

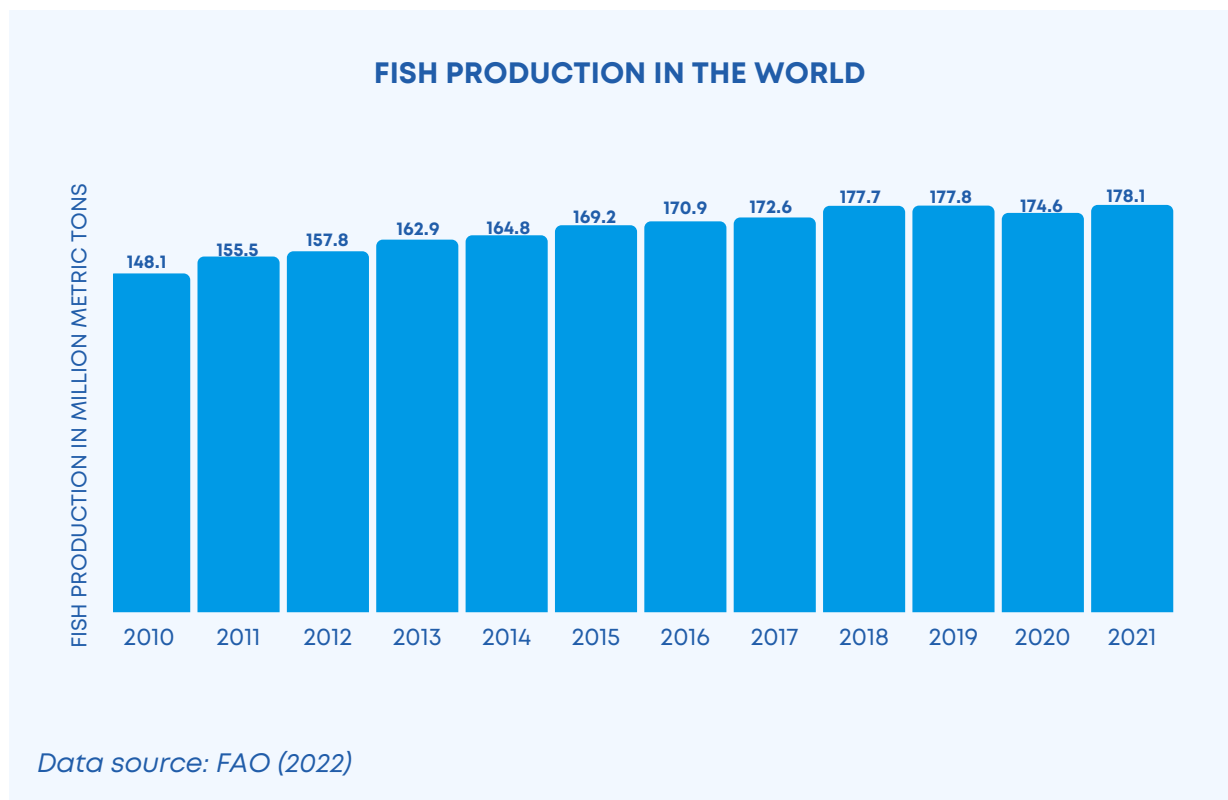


Figure 1: Fish production worldwide 2010-2021 shows a rising trend.

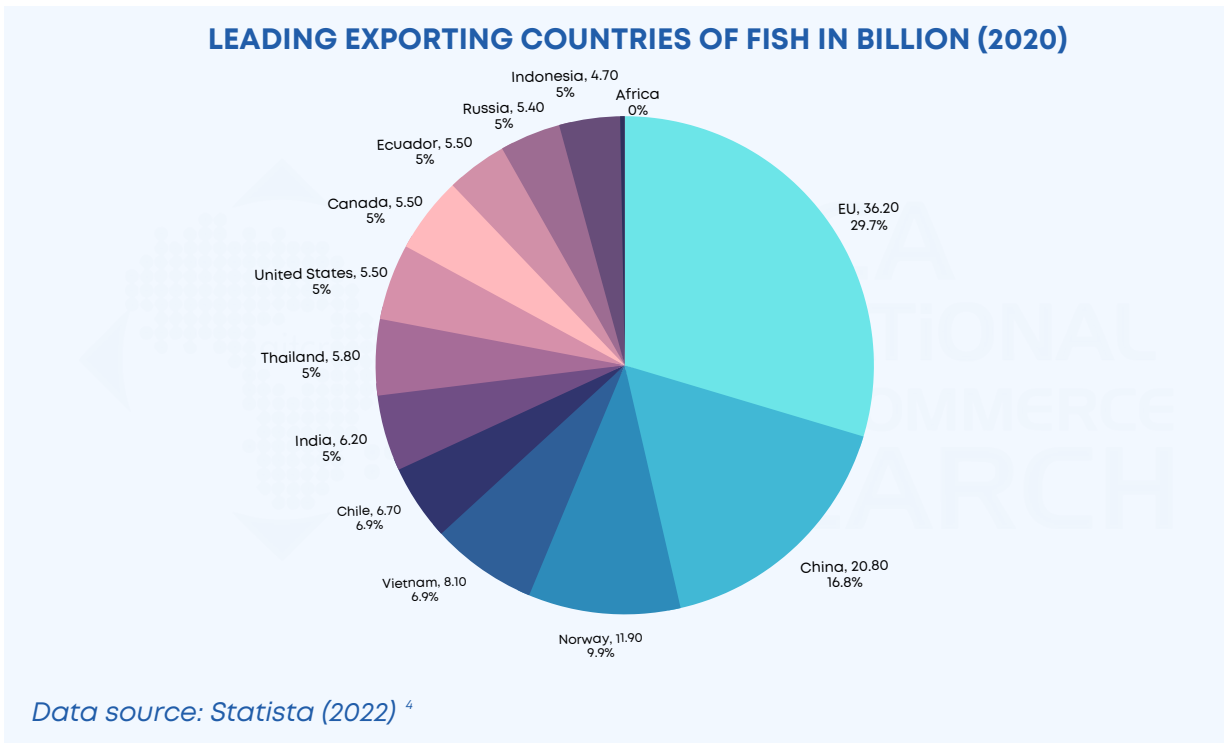


Figure 2: Fish export in 2020 shows that Africa's share is minor and relatively of no value compared to the rest of the world.

The African ocean fishery sector is enormous and valued at more than US\$24 billion per year; however, the African portion of global export remains very low, as depicted in Figure 2.² The continent is one of the major destinations for fish and fishery products export, as illustrated in Figure 3, representing about 11% of global imports.³ Small-scale fishers, coastal communities that fish using small boats, and industrial fisheries, including trawlers and fleets that fish in deep waters, comprise the sector's two primary actors. The fishing industry in Africa employs over 12.3 million people.²

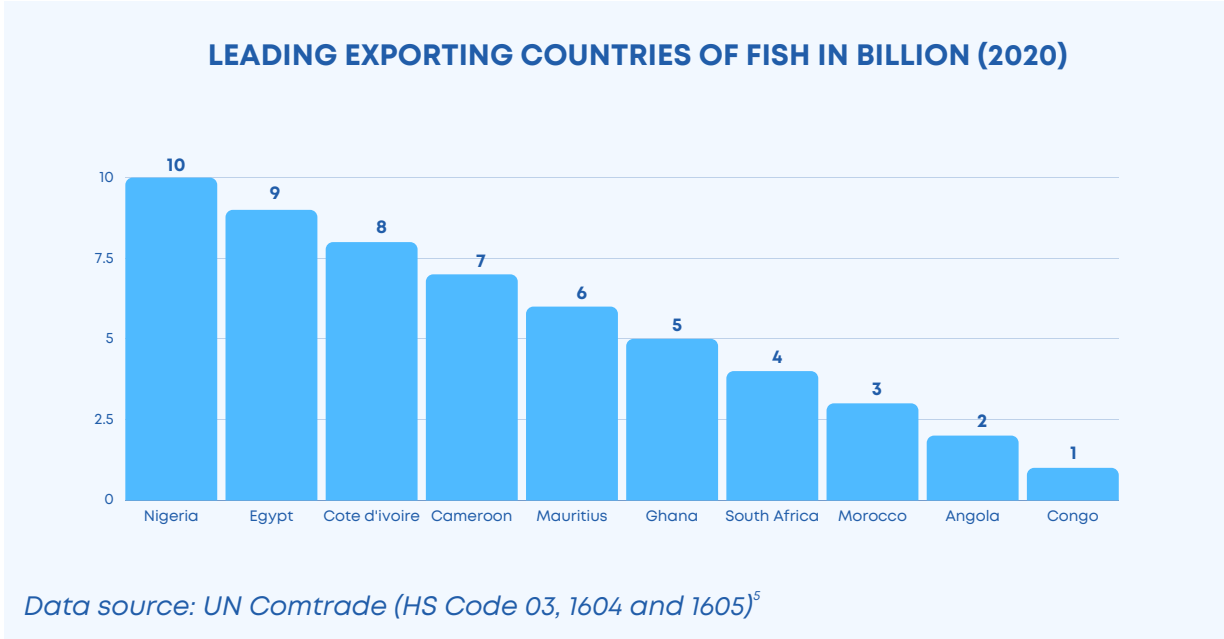



Figure 3: Top 10 fish importers countries in Africa.



Africa's marine fisheries sector is under pressure due to excessive fishing, poor governance, lack of investment and inadequate policies. These gaps create an avenue for unregulated middlemen in the fishery industry, a breeding ground for corruption and informal business practices. As a result, evidence suggests that middlemen are among the biggest obstacles to responsible fisheries management in many African countries. Morocco, Nigeria, and South Africa are the top three fisheries producers on the continent, while on the supply side, the global wild catches have levelled off since 1990. Nigeria is the leading importer of fish in Africa, as depicted in figure 3, ranking first in Africa but fourth in the world in terms of volume (5.4% of all imports), behind China, Japan, and the US, but only 23rd in terms of value (0.8%); Ghana is 5th, and Togo is 10th on the log.⁷

Aquaculture accounts for most of the increase in fish production worldwide, with Asia accounting for 89% of the world's aquaculture share. African aquaculture development is experiencing a snail's pace growth behind other regions, including its contribution to global fish production, consumption, and trade.⁸

The development of the fishery sector in Africa is also threatened mainly by illegal, unreported, and unregulated (IUU) fishing, overfishing, poor management of fishing resources, and difficulty obtaining the necessary support from relevant governments to attract and guarantee investment in the sector. Notably, the World Trade Organization's 12th Ministerial Conference (MC12), held in Geneva in June 2022, agreed to protect the livelihoods of millions of people who depend on marine fishing. The multilateral pact aims to reduce "damaging" subsidies for unregistered, unreported, and illegal fishing to conserve the world's fish stocks better. Likewise, Africa's commercial aquaculture sector is still in its infancy due to a lack of technical capacity, limited access to quality fish feeds and financial resources, and poor market access infrastructure are other obstacles against increased aquaculture in Africa.⁹ These obstacles have led to massive post-harvest loss and fish mortality, with more than a quarter of harvested fish countered as lost after harvest,¹⁰ thereby impoverishing Africans who rely on the fishery and fishery value chains for their livelihood. But in comparison to the Asian aquaculture-producing countries, with positive growth records.

The World Bank supports Africa's commitment to invest in sustainable fisheries to strengthen coastal populations' resilience and improve their livelihoods. The Global Program on Fisheries (PROFISH), the West Africa Regional Fisheries Program (WARF-P), and the Southwest Indian Ocean Fisheries Governance and Shared Growth Program are some of the World Bank's programs that aim to encourage entrepreneurs, promote and facilitate fisheries and aquaculture's contribution to sustainable growth, food security, women empowerment, and poverty reduction. The African Union's Agenda 2063 has also designated the Blue Economy as Africa's Future, recognising the ocean's critical role as a catalyst for socioeconomic development.¹¹

POLICY ALTERNATIVES TO FOSTER THE ROLE OF FISHERIES IN AFRICA

Several reports, including fish to 2020, fish to 2030, fish to 2050 in the ASEAN region, the OECD-FAO Agriculture Outlook, and the CGIAR Research Portfolio report (Delgado et al., (2003), World Bank (2013), Chan et al., (2017), OECD/FAO (2017), Rosegrant et al., (2017), among others, have been published in order to provide a global and regional perspective on



future of fish supply and demand and how to address food insecurity. However, given the combination of attractive opportunities and the challenges confronting Africa's fish industry, decision-makers need to understand the emerging development by considering the interplay between actors across the African fishery industry, including international partners. African countries should prioritise a regional enabling environment with an inclusive, transparent management system and empirical evidence-driven regulations for fisheries in Africa to reassure stakeholders in the industry that African regional policymakers are committed to positioning the industry to be productive.

Not addressing the environmental concerns has led to the consequences of illegal fishing and overfishing in Africa. The management system and regulatory framework should have detailed programmes and action points to address the development need of coastal communities, poverty alleviation, food insecurity, elimination of intra-African trade barriers and other economic and environmental concerns, which will allow Africans who rely on fishing as a source of livelihood to improve their living conditions. Furthermore, African governments should use data to learn about the state of biodiversity in the African fishery populations as it affects overfishing and the ecosystems.

POLICY RECOMMENDATIONS

- **First**, African countries' policy makers should resolve the fishery trade imbalance and eliminate the barriers to trade which will meet the supply side of Africa's expanding demand for fish by developing and implementing an urgent intra-African regional trade policy and strategy for aquaculture.
- **Second**, a continental intervention should be launched to galvanize member states, raise the number of modernized small-scale fishing methods, and improve market access to aid the development of fisheries value chains.
- **Third**, the Africa Continental Free Trade Agreement provides a platform for a single African market.¹² Therefore, reforms should be implemented to accelerate intra-Africa tariff elimination of fishery products and attract investment to the growing aquaculture sector. This would be highly beneficial to the coastal African states who are most vulnerable and exposed to adverse climate change.
- **Fourth**, African countries and regional economic communities should prioritise joint actions against trawlers and protect their fishery and environmental resources. This is necessary because many African countries have weak and inadequate domestic and regional mechanisms to monitor and enforce existing rules regarding trawler operations that threaten the sector.
- **Fifth**, African countries should seek technical support and capacity building to implement the MC12 Agreement to encourage best practices in the fishery industry.
- **Finally**, there should be transparency and strict enforcement of ethical standards and regulations for middlemen in the fishery value chain.





ENDNOTES

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Africa International Trade & Commerce Research

Soulmate House, Plot 188, Durumi, along American Int'l
School Road, Off Oladipo Diya Road, Abuja, Nigeria

DL: +234 8147429461, +2349058603907

www.africainternationaltrade.com

info@africainternationaltrade.com