

POLICY BRIEF 7

EXTRA-SMEs
Interreg Europe



EXTRA-SMEs PROJECT

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AIMS AND OBJECTIVES OF THE PROJECT

EXTRA-SMEs is an Interreg Europe project that aims to foster the competitiveness, extraversion, and internationalisation of rural and coastal SMEs participating in aquaculture value chains.

To that end, the project brings together 8 regions from 7 countries to join forces and exchange experiences on:

- Simplification of administrative procedures.
- Expansion and access to new markets.
- Innovative value-added product solutions.
- Personnel up-skilling.
- Resolution of stakeholders' conflicts of interests.

The partners participating in the project are:

- The Region of Peloponnese in Greece
- The Region of Liguria in Italy
- The Northern Chamber of Commerce in Szczecin (NCC) in Poland
- The Bucharest-Ilfov Regional Development Agency (ADR-BI) in Romania
- The Lapland University of Applied Sciences (LUAS) in Finland
- The University of Patras (UPAT) in Greece
- The Western Development Commission (WDC) in Ireland
- The Public Institution National Regions Development Agency (NRDA) in Lithuania
- The Liguria Cluster for Marine Technologies (DLTM)

POLICY BRIEF OVERVIEW

This policy brief reports on part of the activities of A3: interregional learning and capacity building.

Specifically:

- Into the input paper of DLTM, that established the basis for the Interregional Workshop on “Managing stakeholders’ conflicts of interest”, under EXTRA-SMEs activity A3.3. The workshop took place virtually on the 11th of November 2020, with a total of 55 participants.
- Into the input paper of NRDA which establishes the topics to be discussed at the study visit in Siauliai, Lithuania, under activity A3.5 “Exchange of experience visit on internationalization and extraversion improvement”. The study visit will take place virtually on 20th May 2021.

MANAGING STAKEHOLDERS' CONFLICTS OF INTEREST (1/2)

Types of Conflicts of Interest

Three main broad categories of types of conflicts of interest are identified and presented below, focusing on socio-political factors, environmental/ecological factors, and finally on economics and trade. However, it should be noted that the three types are often intertwined.

Socio-political conflicts

Social conflicts are merely situations of disagreement that occur between individuals and groups who express apparently incompatible opinions, values, or objectives. Conflict is inherent in societies; however, when conflicts escalate or endure, they may lead to destructive consequences.

Environmental/ecological conflicts

Socio-political conflicts are highly connected with environmental and ecological conflicts. Environmental NGOs are often critical of the aquaculture sector, and aquaculture often tends to have a negative image mainly associated with:

- The presence of aquaculture facilities in Natura 2000 sites (or relevant pursuits), as water quality is of vital importance to the sector.
- The use of antibiotics in aquaculture facilities.
- The decline of genetic diversity of the wild populations, as a result of their mix with fish farm escapees, which have a very low genetic diversity.
- The production of residues that accumulate in the bottom of the farms, leading to anoxic conditions.

Economic conflicts

Economic conflicts pertaining to aquaculture may concern the competition for space or other resources between aquaculture stakeholders and representatives of other sectors. Both sea and land-based aquaculture require a lot of space and access to good quality water, often leading to conflicts between stakeholders who want to use the same resources (space, water). The main sectors competing with aquaculture over resources include:

- Tourism
- Agriculture
- Fishermen

MANAGING STAKEHOLDERS' CONFLICTS OF INTEREST (2/2)

Conflicts management approach

There are several approaches developed by both researchers and decision-makers in order to provide effective management of conflicts of interests pertaining to aquaculture:

Public Consultation and raising awareness

- Effective consultation and engagement with stakeholders can work to prevent conflict by reducing misinformation and creating ownership in the decision-making processes. Public consultation is thus central, as it allows for the incorporation of opinions, perspectives and evidence drawn from all interested parties, leading to better decision-making processes and preventing conflicts from even emerging.
- Authorities' actions aim at raising awareness among all relevant stakeholders and building trust towards the aquaculture sector and can play a key part in improving the image of aquaculture and alleviate the perceived risks.

Alternative Dispute Resolution (ADR)

Alternative Dispute Resolution (ADR) refers to any means of settling disputes "outside the courtroom" and is thus most relevant to the scope of this workshop.

The following pyramid depicts the range of options faced in managing conflicts, which is most often used by analysts, ranging from isolation at the pyramid's bottom to cooperation at the pyramid's top. ADR includes all options except confrontation and litigation.












Pyramid of Cooperation

Developing dispute resolution systems









Dispute resolution systems refer to processes of identifying, developing, using and evaluating effective methods for resolving conflicts. In order to address aquaculture related conflicts, the dispute resolution systems developed should work towards:

- Facilitating the consensus-building process between stakeholders in current aquaculture disputes, and
- Providing stakeholders with information and a forum for public consultation aiming at the prevention of further conflict

RECOMMENDATIONS AND EXAMPLES

KEY ACTORS INVOLVED	TYPE*	OBJECTS OF CONFLICT	RECOMMENDATIONS
FISHERMEN		Perceived environmental risks	Trust building through awareness raising and education activities.
		Perceived risks on wild fish populations	Promoting access to reliable data and information.
		Perceived negative impact on own income	Access to consultation and/or conflict resolution processes.
CONSUMERS		Perceived environmental and health risks	Awareness raising and trust building activities.
			Promotional activities. Participation of aquaculture products in certification schemes.
ENVIRONMENTAL NGOS		Perceived environmental and health risks	Promoting access to reliable data and information. Access to consultation and/or conflict resolution processes.
AQUACULTURE STAKEHOLDERS		Perceived environmental and health risks	Making sure they do meet their environmental obligations and have access to relevant guidance and training.
			Capacity building in communicating about risks and the development of relevant communication plans.
			Access to consultation and/or conflict resolution processes.

RECOMMENDATIONS AND EXAMPLES

KEY ACTORS INVOLVED	TYPE*	OBJECTS OF CONFLICT	RECOMMENDATIONS
	 Environmental  Social  Economic		
LOCAL POPULATION	  	Perceived negative impact upon area's property values and aesthetic value Perceived environmental and health risks	Building ties between the aquaculture industry and local communities. Trust building through awareness raising and education activities. Making efforts to recruit local employees in aquaculture activities and to promote collaboration between aquaculture companies and other local businesses. Access to consultation and/or conflict resolution processes.
TOURISM STAKEHOLDERS	 	Perceived environmental risks Perceived negative impact upon area's aesthetic value Perceived negative impact on own income	Promoting communication between the aquaculture industry and tourism stakeholders. Trust building through awareness raising activities. Promoting access to reliable data and information. Making efforts to create synergies between the sectors. Access to consultation and/or conflict resolution processes.

EXCHANGE OF EXPERIENCE VISIT IN SIAULIAI, LITHUANIA

- The exchange of experience visit of the EXTRA-SMEs project has been designed to provide partners and participating stakeholders with valuable practical experience through a close examination of existing, successful cases studies on different dimensions affecting the performance and competitiveness of aquaculture SMEs.
- Drawing from the conclusions and recommendations provided by the previous EXTRA-SMEs activities (A1.2 & A1.3), the overall aim and objectives of the present study visit is to allow the exchange of successful policies, practices and initiatives to improve SMEs' internationalization and extraversion. As such, the objectives of the exchange of experience visit in Siauliai, Lithuania are as follows:
- Presentation of real-life examples/case studies, highlighting the most relevant needs and challenges associated with the extraversion and internationalization of aquaculture SMEs.
- Exploration of how such issues can be addressed through the use of innovative products and processes potential to improve EXTRA-SMEs internationalization and extraversion.
- Provision of insights to regional authorities on how innovation can positively impact SMEs' productivity and competitiveness.

BACKGROUND INFORMATION

Lithuania has a significantly lower than the EU average entrepreneurship level as developments are impeded by a lack of initiatives promoting entrepreneurship and a lack of funding opportunities. In addition to these indicators, Lithuania also has a very small domestic market, thus economic growth and increase of internationalization and extraversion directly depend on the ability of (aquaculture) SMEs to create and export goods and services that are competitive not only at the local but also at an international level.

The Lithuanian National Association of Aquaculture and Fish Product Producers (NAAFPP) was formed in 2002 to address sustainability issues in aquaculture through the enforcement of related codes of practice as well as to bring together individual SMEs and form a strategic alliance to increase their outreach and promote the quality of Lithuanian fish products. As such it constitutes a network of fish producers, SMEs owners and other third-party representatives brought together for the economic benefit of all participating parties.

Five years ago, the NAAFPP started to focus on techniques that could promote ecological fishery. Today, more than 40% of the Lithuanian fish industry is certified for the development of ecological fishery. As a result, the Lithuanian market now contains high-quality products yet their exports in the regional or international markets are still below expectations. This constitutes one of the strategic goals of the EXTRA-SMEs project as it aims to promote these high-quality products to other markets and raise awareness on sustainable and environmentally friendly fishing techniques.

(<http://www.akvakultura.lt/en>)

PROPOSED SITES (1/2)



1. ŠamŪkis

Key facts

- Advanced systems of closed recirculation systems where fish are reared in a healthy, responsible and environmentally friendly way.
 - Safe, closed system pools that are closely monitored and regulated to ensure the high quality of the fish products.
 - Clean, filtered water, with no traces of nitrate, further ensuring its low environmental impact.
- Certified organic food provided by a local certified trader to feed their fishes

Key lessons to be transferred

ŠamŪkis has engaged in a series of innovative measures to increase not only the quality of their production but also the awareness of the environmental and sustainability practices that such an enterprise can engage and benefit from.

Further information on: <https://www.samukis.lt/>.

2. Šilo pavėžupis



Key facts

- Sites of activity include 85 lakes with a total surface of 600 hectares of water where multiple species of fish are produced in accordance with the EU quality standards.
- Activities for seasoned or novice fishermen take place in two lakes specifically dedicated to commercial fishing.

Key lessons to be transferred

A visit to this site can provide insights on the ways that aquaculture SMEs can increase their economic benefit through their expansion on commercial fishing and their engagement with regulatory practices to ensure the environmental sustainability of such activities.

Further information on: <https://www.silopavezupis.lt/>.

PROPOSED SITES (2/2) AND FURTHER DISCUSSION

3. Karpyné



Key facts

- Offering of diversified activities such as:
- Outdoor walking
- Commercial fishing
- Indoors activities such as bowling.
- Certified organic food provided by a local certified trader to feed their fishes

Key lessons to be transferred

A visit to this site can inform on the ways that aquaculture SMEs can expand the type of services provided to also include activities that may not be directly related to fishing, yet they can assist in raising their economic potential.

Further information on: <https://www.karpyne.lt/en>.

TOPICS TO BE FURTHER DISCUSSED DURING THE VISIT

Further discussion on the topics of internationalization, extraversion should revolve around:

- The formulation of strategic alliances
- The use of innovative technologies and processes to increase aquaculture SMEs' operational efficiency
- Diversified services (e.g., tourist activities) and awareness-raising activities

FUTURE DIRECTIONS

The project aims to improve the implementation of participating regions' policy instruments related to the SME competitiveness across the value chain of coastal and rural regional economies with a strong aquaculture component. To achieve that, EXTRA-SMEs foresees public dialogue events to build consensus among regional economic actors and the public at a broader level.

Workshops and study visits as the above mentioned promote learning and exchange of experience and help achieve the tactical objectives of the project which are:

- Increase the capacity of regional authorities to effectively implement policies on SMEs entrepreneurial development, internationalization, and extraversion.
- Identify innovation pathways and raise awareness on the benefits of modernization of the aquaculture SMEs value chain.
- Incentivize investments, outwards-looking entrepreneurship, address limited access to finance, lack of knowledge, and inability to expand in wider markets.

With the experience gained from the workshop and the study visit, similar events will follow in different countries of the consortium, ensuring the dissemination of the project outcomes and giving insights and perspectives to the local aquaculture SMEs.

PROJECT PARTNERS



**Region of Peloponnese
(EL)**



Liguria Region (IT)



**Northern Chamber of
Commerce in Szczecin
(PL)**



**Bucharest-Ilfov Regional
Development Agency
(RO)**



**Lapland University of
Applied Sciences (FL)**



University of Patras (EL)



**Western Development
Commission (IE)**



**Liguria Cluster for
Marine Technologies
(IT)**



**Public institution
National Regions
Development Agency
(LT)**

About Us

EXTRA-SMEs is co-funded by INTERREG Europe / European Regional Development Fund (ERDF)

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