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## Policy pointers

**Increased funding from philanthropic organisations for the small-scale fisheries sector can help progress a range of Sustainable Development Goals, including on biodiversity, climate, gender equality and hunger.**

**Using their convening power and influence, philanthropic organisations can advocate for the rights of small-scale fishers and for the central role these fishers play in managing resources and maintaining a healthy ocean.**

**Philanthropic funding for fisheries and coastal ecosystems should flow directly to entities that enable local fisheries organisations to influence spending, as this supports the best outcomes for people and nature.**

**Philanthropic organisations can catalyse new funding flows for small-scale fisheries by taking a collaborative approach and providing seed capital for higher-risk solutions.**

## Philanthropy's role in sustaining fisheries for people and nature

Small-scale fisheries (SSF) and their communities, numbering about half a billion people, are the largest group of ocean users and are central to achieving Sustainable Development Goal 14 (Life below water). Their multigenerational knowledge and stewardship experience are critical for sustainable fisheries management, biodiversity conservation and climate action, and they play a pivotal role in food security and good nutrition. Yet SSF worldwide are neglected due to lack of data, recognition and investment, and they face extreme risks arising from inequitable governance, overfishing and the impacts of climate change. Philanthropy can provide flexible, patient funds to help local actors implement lasting solutions and showcase what catalytic interventions and thriving communities can look like. It can also stimulate new, innovative financing for SSF through collaborating with public and private institutions and, in doing so, increase SSF's benefits to society.

Small-scale fishers and fish workers are the largest group of users of the ocean and are central to achieving Sustainable Development Goal (SDG) 14 (Life below water). The small-scale fisheries (SSF)<sup>1</sup> sector is directly addressed in SDG Target 14.b ("Provide access for small-scale artisanal fishers to marine resources and markets"). Working with small-scale fishing communities is also a critical pathway towards other goals, including SDGs 1 (No poverty), 2 (Zero hunger), 5 (Gender equality), 8 (Decent work and economic growth) and 13 (Climate action).<sup>2</sup>

SDG 14 has to date received the least investment of any of the SDGs<sup>3</sup> and is among the least targeted by private philanthropy.<sup>4</sup> An estimated US\$175 billion per year is needed to achieve SDG 14 by 2030, yet less than US\$10 billion was invested between 2015 and 2019.<sup>5</sup> While fisheries and their value chains received a substantial amount of this funding, only a small portion was dedicated to SSF.<sup>6</sup> This imbalance limits the SSF sector's ability to overcome

challenges related to limited accounting and recognition, climate change, inequitable governance and ineffective management.

Recognition of the role and potential of SSF in global food systems and sustainable development is growing, as indicated by the United Nations' designation of 2022 as the International Year of Artisanal Fisheries and Aquaculture. Yet SSF and the communities they support still do not receive the attention or investment they need to thrive. Philanthropic organisations alone cannot fill the finance gap for SSF, but their flexibility, networks and influence position them well to change narratives, support locally led action, and unlock new and innovative funding flows.

### Small-scale fisheries' benefits to people and planet

#### Supporting livelihoods and economies

National surveys estimate that 492 million people depend at least partially on SSF for employment

## *Philanthropic organisations are uniquely placed to advocate for the rights of the SSF sector*

and/or subsistence.<sup>2</sup> This equates to 6.6% of the world's population in 2016 and 13.2% of the population of the 45 least developed countries.<sup>2</sup> 90% of all people who work in the fisheries

sector are employed in SSF, nearly half of them women (Box 1).<sup>2</sup>

SSF also produce an estimated 40% of the global catch, generating 44% of total global landed catch revenue.<sup>2</sup> This revenue is more than that

generated by the largest ocean industries, including cruise tourism, port activities and offshore wind power.<sup>2</sup> Moreover, SSF activities are not only economically beneficial, but a way of life and culture centred on multigenerational knowledge and values.<sup>2</sup>

### **Providing food security and nutrition**

Aquatic foods contribute more than 50% of total animal protein to diets in some countries.<sup>7</sup> They also provide essential omega-3 fatty acids and micronutrients critical for human health and development, particularly for women and children.<sup>2</sup> Fish and other aquatic animals are on average richer in these nutrients and their production often has less environmental impact than land-based meat production.<sup>8</sup>

On average, coastal SSF contribute more than 30% of the nutrients supplied by marine foods and 10% of all nutrients, and even more in countries where nutrition levels are low.<sup>9</sup> Inland fisheries, which produce a third of the global SSF catch, are a relatively accessible and affordable source of nutrition for the landless poor compared with farmed foods.<sup>2</sup> SSF are a particularly

important source of nutrition in coastal and riparian communities, including among non-fishing households.<sup>2</sup>

### **Protecting and conserving aquatic ecosystems**

Small-scale fishers, fish workers and their communities are uniquely placed to protect and conserve the aquatic resources they live alongside and depend on, with benefits for both nature and climate. A survey of 151 SSF organisations worldwide found the vast majority have objectives relating to harvesting and sustainable fisheries management, and most closely associate these with human wellbeing.<sup>2</sup> Usually firmly rooted in communities, cultures and values, SSF also bring local and traditional knowledge and practices into fisheries management.<sup>2</sup>

Fishing grounds that SSF communities govern and manage, and Indigenous territories, are critical to the post-2020 Global Biodiversity Framework's '30 x 30' target to protect 30% of the planet by 2030.<sup>10</sup> In coastal areas, local communities and Indigenous Peoples are often better guardians of biodiversity than governments.<sup>11,12</sup>

### **Challenges facing small-scale fisheries**

#### **Lack of recognition and investment**

SSF enterprises typically operate outside of formal economies — often in family units — without registration or keeping official accounts, and dispersed across remote areas. They therefore tend to be poorly captured in national statistics.<sup>2</sup> Aside from limiting effective fisheries management, this lack of official data has led to inadequate institutional support and political recognition. Fisheries policies and investments have historically focused on economic and biodiversity conservation objectives, overlooking SSF as a central component of ocean economies and global food systems.

This has also limited investment in public health services, financial services, social protection, education and infrastructure for SSF communities.<sup>2</sup> As a result, SSF actors are often disadvantaged in accessing markets.<sup>13</sup> Although their catch increasingly enters regional and global markets, SSF actors rarely have the power, information or capital to reap rewards.<sup>2</sup>

Together with limited opportunities outside the sector, these factors underpin the vulnerability of SSF communities to shocks and stresses such as those arising from climate change, market fluctuations, and fisheries management and conservation interventions.

#### **Box 1. Gender in small-scale fisheries<sup>2</sup>**

Nearly 45 million women are engaged in the SSF sector worldwide, representing close to 40% of the total workforce. Women make up nearly half the workforce in post-harvest activities such as processing, trading and marketing. New estimates also show that women comprise 45% of those involved in fishing for subsistence — typically harvesting from the shoreline on foot or from small, non-motorised vessels — and nearly 19% of the commercial fishing workforce.

Although these activities are critical to household economies and small enterprises, women's participation in the sector is less likely to be registered and accounted for in official statistics compared to men's. Hence it is poorly understood and undervalued. This leads to gender disparities in pay and in access to resources, governance, financing, social protection, technology, training, mobility, markets and bargaining power. Yet women stand to disproportionately benefit from involvement in SSF in terms of income and nutrition. Actions that enable women's access to fisheries resources and related decision making can have ripple effects across generations and wider society.

## A changing climate

Fisheries face high levels of climate risk, particularly in the tropics, small island developing states and areas facing interacting stressors such as overfishing.<sup>6,7</sup> Warming waters affect the availability and stability of catches, and increasingly extreme and frequent weather events cause mounting infrastructure and equipment loss and damage throughout the value chain.<sup>6</sup>

Despite contributing relatively little to global emissions, SSF communities' reliance on coastlines and floodplains for food and livelihoods makes them particularly exposed and vulnerable to sudden shocks such as storms and to changes in catch and income.<sup>2</sup>

## Inequitable governance and ineffective management

Fishing is the primary driver of global marine biodiversity loss, and fishers increasingly need to put more effort into catching fewer fish.<sup>6</sup> While fisheries management and conservation interventions are therefore essential, they typically fail to recognise and respect the rights of SSF communities, to ensure fair decision making, transparency, accountability and dispute resolution, or to fairly distribute costs and benefits. This ultimately reduces the effectiveness of interventions and leaves fish stocks vulnerable to overexploitation, reducing the benefits SSF can provide.<sup>2</sup>

Forms of governance that enable resource users' participation, such as co-management, are most appropriate for SSF. But while 40% of the estimated global SSF catch comes from fisheries governed through national-level co-management policies, less than half these arrangements involve meaningful local participation, and small-scale fishers rarely have tenure rights that incentivise sustainable use and management.<sup>2</sup>

Other national- and international-level decision making relating to the ocean also generally excludes most fishers, fish workers and their organisations.<sup>2</sup> The rise of the 'blue economy' agenda, which frames the ocean as a new economic and development frontier, has ignited concern in the SSF community — which it has described as 'blue fear' — about threats posed by more powerful sectors such as oil, gas and deep sea mining.

## The opportunities for philanthropy

As early movers and enablers of change, philanthropic organisations concerned with sustainable development have four key

opportunities to maximise the contributions of the SSF sector to people and nature:

### 1. Increase investment in sustainable and equitable SSF

Philanthropic funding for ocean-related issues has been increasing. Overall, it doubled between 2010 and 2020, and funding for fisheries and their value chains grew from US\$102 million to US\$167 million.<sup>5</sup> And while philanthropic funding for SSF also increased (from US\$1 million in 2010 to about US\$20 million in 2020) it still comprises only about 17% of philanthropic investment in fisheries, and less than 2% of total philanthropy.<sup>5</sup>

For every US\$1,000 of global philanthropy, coastal SSF receive only an estimated 10 cents, while most ocean-related funding goes to large marine protected areas and industrial fisheries.<sup>11</sup> Given the numbers of people who rely on SSF and its relevance in addressing broader societal challenges, this balance needs to shift (Box 2).

### 2. Advocate for the SSF sector

Given their convening power and ability to shape narratives of change, philanthropic organisations are uniquely placed to advocate for the rights of the SSF sector, amplifying voices and influencing both public policy and markets. This advocacy can build on the momentum of the sector's Call to Action and Rules of Conduct for working with

#### Box 2. Potential areas for investment in SSF

**Supporting locally led action for climate and nature.** SSF communities have long adapted to change, developed innovative solutions to challenges and generated their own finance. Their achievement of impacts at scale is underappreciated. Philanthropy can increase these efforts' visibility in national and international arenas and build SSF actors' capacity to receive external finance.

**Enabling and incentivising sustainable fisheries management.** Fisheries management is often ineffective because of its failure to recognise and mitigate negative social and economic impacts on fishers and fish workers or to incentivise behaviour change. One solution is for governments to leverage and adapt social protection and active labour market systems and programmes to support and incentivise fishers' and fish workers' participation in management, while also reducing their vulnerability to poverty and building climate resilience.<sup>14</sup> Philanthropy can help scale these approaches by supporting design, testing and early adoption to demonstrate proof of concept.

**Integrating SSF into the global food system transformation agenda.** Aquatic foods, and particularly SSF, are typically left out of wider food system policy and practice. While SSF have enormous potential to contribute to sustainable food systems, in comparison to industrial fisheries and agriculture, little is known about their value chains, their place in food systems transformation and the potential impacts of transformation on the sector.<sup>12</sup> Philanthropic funding can support efforts to include aquatic foods in the food systems transformation agenda and ensure equitable processes and outcomes for SSF globally.

small-scale fishers and fish workers,<sup>15</sup> and follow the human-rights-based approach of the UN Food and Agriculture Organization's Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries (SSF Guidelines).<sup>16</sup> In doing so, philanthropic organisations can help ensure that the people most at risk from threats to aquatic resources participate in and benefit from solutions, ultimately maximising the impacts of investment in the sector.

Philanthropic organisations engaging in agendas related to, but not focused on, fisheries or the ocean — such as climate, nutrition, gender and jobs — would also benefit from considering SSF's potential role in their investments. By aligning relevant work with the SSF Guidelines, philanthropy can lead by example and strengthen impact.

### 3. Channel flexible funds to the local level

By providing flexible funding and building meaningful long-term partnerships, philanthropic organisations can help drive locally led action in SSF. Local SSF actors often lack the finance, technology and agency to make change, yet they are best placed to know what interventions will work and how. Where possible, philanthropic funding should flow to entities that engage SSF communities and enable local influence over how money is used: sub-national governments, local SSF enterprises, local nongovernmental organisations and community organisations.

As stated by the sector's Rules of Conduct, getting money to where it is needed is crucial for fostering equal partnerships founded on trust and transparency. Ensuring sufficient, flexible and patient financing for local implementation also

enables local accountability and builds on collective action, supporting cost effectiveness and efficiency.<sup>17</sup>

### 4. Catalyse new and innovative funding flows

Philanthropy can provide seed funding that complements and catalyses other private and public financing flows.<sup>18</sup> Generating a return on investment in SSF, particularly in SSF management, can be challenging. It can take time to change behaviour and for behaviour change to influence sustainability, and impacts can be difficult to measure and prove. This deters governments from borrowing for investment in SSF. With a limited track record, a lack of investment-ready projects, and unappealing risk–return profiles, SSF also typically struggle to attract traditional private capital.

Philanthropic organisations can support SSF by providing risk capital, early capital or patient capital, which can attract new investment for solutions like those described in Box 2. By partnering with like-minded organisations, governments and community groups, philanthropic donors can leverage their strengths in impact measurement and storytelling to generate the data and share the metrics and methodologies needed for other funders to measure impact. A mapping of the different actions that are needed to create systemic change in the SSF sector, and of different players' roles, would help to progress this collaboration by building a clear picture of complementarity and gaps.

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### Knowledge Products

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### Notes

<sup>1</sup> Due to its global diversity and complexity, there is no standard definition of the small-scale fisheries sector, but it is typically understood to comprise relatively small production units (individuals, households or microenterprises) with low input and output, and low levels of technology or capital investment. See note 2. / <sup>2</sup> UN Food and Agriculture Organization, Duke University and WorldFish (2023) Illuminating Hidden Harvests: The contributions of small-scale fisheries to sustainable development. [www.fao.org/documents/card/en/c/cc4576en](http://www.fao.org/documents/card/en/c/cc4576en) / <sup>3</sup> World Economic Forum (2022) SDG Financing Landscape Scan: Tracking Funds to Realize Sustainable Outcomes for the Ocean. [www3.weforum.org/docs/WEF\\_Tracking\\_Investment\\_in\\_and\\_Progress\\_Toward\\_SDG14.pdf](http://www3.weforum.org/docs/WEF_Tracking_Investment_in_and_Progress_Toward_SDG14.pdf) / <sup>4</sup> Organisation for Economic Cooperation and Development (2020) Sustainable Ocean for All: Harnessing the Benefits of Sustainable Ocean Economies for Developing Countries. <https://doi.org/10.1787/202afb81-en> / <sup>5</sup> Johansen, DF and Vestvik, RA (2020) The cost of saving our ocean — estimating the funding gap of sustainable development goal 14. *Marine Policy* 112, 103783. / <sup>6</sup> Our Shared Seas (2021) A Decade of Ocean Funding: Landscape Trends 2010–2020: Trends in Philanthropic Funding. <https://oursharedseas.com/funding/funding-foundation-funding/> / <sup>7</sup> UN FAO (2022) The State of World Fisheries and Aquaculture 2022: Towards Blue Transformation. [www.fao.org/documents/card/en/c/cc0461en](http://www.fao.org/documents/card/en/c/cc0461en) / <sup>8</sup> Blue Food Assessment (2021) Building Blue Food Futures for People and the Planet. <https://bluefood.earth/policy/> / <sup>9</sup> Viana, DF, Zamborain-Mason, J, Gaines, SD, Schmidhuber, J and Golden, CD (2023) Nutrient supply from marine small-scale fisheries. *Scientific Reports* 13, 11357. / <sup>10</sup> UN Convention on Biological Diversity (2022) Decision adopted by the Conference of the Parties: 15/4. Kunming-Montreal Global Biodiversity Framework. [www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf](http://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf) / <sup>11</sup> Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (2019) Summary for policymakers of the global assessment report on biodiversity and ecosystem services. doi:10.5281/zenodo.3553579 / <sup>12</sup> Rare (2022) The Case for Protecting and Managing the World's Territorial Seas. <https://rare.org/wp-content/uploads/2022/06/2022.06-Case-for-Territorial-Seas-Digital-Download-6-27.pdf> / <sup>13</sup> Pita, C and Ford, A (2023) Sustainable seafood and small-scale fisheries: improving retail procurement. IIED, London. [www.iied.org/21306iied/](http://www.iied.org/21306iied/) / <sup>14</sup> Bladon, A, Greig, GT and Okamura, Y (2022) Connecting Social Protection and Fisheries Management for Sustainability: A Conceptual Framework. World Bank, Washington. / <sup>15</sup> Coalition for Fair Fisheries Arrangements (2023) "Nothing about us without us": fishers draft rules of conduct for how to work with them to save the oceans. [www.cffacape.org/news-blog/nothing-about-us-without-us-fishers-draft-rules-of-conduct-for-how-to-work-with-them-to-save-the-oceans/](http://www.cffacape.org/news-blog/nothing-about-us-without-us-fishers-draft-rules-of-conduct-for-how-to-work-with-them-to-save-the-oceans/) / <sup>16</sup> UN Food and Agriculture Organization (2015) Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication. [www.fao.org/3/i4356en/i4356en.pdf](http://www.fao.org/3/i4356en/i4356en.pdf) / <sup>17</sup> Holland, E, Patel, S, Roe, D and Shakya, S (2022) Money where it matters for people, nature and climate: driving change through support for local level decision making over resources and finance. IIED, London. [www.iied.org/20966iied/](http://www.iied.org/20966iied/) / <sup>18</sup> For example, see Bloomberg Philanthropy's Vibrant Oceans Initiative and partnership with the Rockefeller Foundation and investing firm Encourage Capital: Encourage Capital (2017) Investing for Sustainable Global Fisheries. [https://2c5513.p3cdn1.secureserver.net/wp-content/uploads/2016/01/Executive\\_Summary\\_FINAL\\_1-11-16.pdf?time=1700031124](https://2c5513.p3cdn1.secureserver.net/wp-content/uploads/2016/01/Executive_Summary_FINAL_1-11-16.pdf?time=1700031124)

