

English edition

PACA[®]
NEWS

Participatory
Appraisal of
Competitive
Advantage

A Product by mesopartner

No. 11 September 2006

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Fishery Value Chain PACA in South Nias / Indonesia

Natural disasters can be cruel in more respects than you might expect. Take Nias Island, located 50 km off the west coast of North Sumatra. The island lives primarily on fishery and – before the 2004 Tsunami and the 2005 earthquake – on tourism. Nias is considered one of the top ten surf spots in the world. But it suffered a steep drop in tourist arrivals after both events. And then the earthquake lifted the island by half a meter, causing the relocation of fish resources and the shifting of the high waves usually attracting surfers several hundred meters off the shore.

As part of its overall response to Tsunami and earthquake, the International Labour Office (ILO), supported by mesopartner, has conducted a Value Chain Analysis for the Fishery sector on Nias in June 2006. The ILO expects that the value chain analysis will build ownership of the local economic recovery process in the target communities in the sub-district Teluk Dalam / district South Nias and provide a sound basis for the implementation of the ILO integrated response programme that is executed in cooperation with UNDP and FAO.



*Surf spot Nias island -
the 2005 earthquake lifted the island by 50 cm*

The main objective of the value chain analysis was to diagnose and mobilise local fishery by involving relevant local stakeholders in a participatory analysis that encourages them to play an active role in the implementation of key activities. The application of the PACA approach to conduct the value chain analysis was expected

to offer a large impact for the population, especially for the fishery sector.

We started with the preparation of a generic stakeholder map in order to structure the multitude of fishery activities, to gain an overview of the actors and sub-sectors involved in the fishery sector in Teluk Dalam sub-district, to identify what stakeholders the team should interview and invite to mini-workshops, and to prepare for a later more detailed value chain mapping.



Nias fishery value chain mapping by the PACA Team

As we had to deal with a large variety of sea products, we could not map the value chain of each single product. Instead we decided to group the sea products according to the techniques applied to catch them. The two dominating techniques are the usage of *pancing* fishing (larger off-shore fishing boats) or the usage of nets and *bagan* (smaller bay fishing boats). Moreover, a single product we considered worthwhile to look at was lobster.

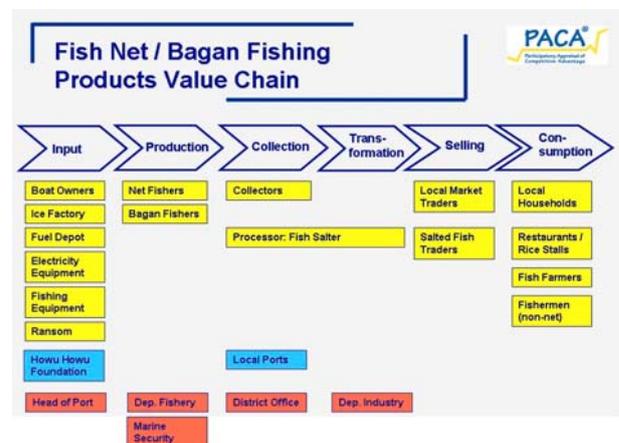


Bagan fishing boat used for catching sardines, kembung, gambolo, squid

To use a value chain mapping technique that is quickly teachable we opted for GTZ's ValueLinks mapping approach. ValueLinks is a

modular approach that builds on a set of principles and criteria plus orientation on the choice of available instruments, but is not an overly rigid framework. The value chain mapping of the three types of products introduced a clearer structure of the fishery sector and helped clarifying the interrelations of the actors we talked to. It also supported us in identifying whom to additionally involve or to collect information from.

Particularly during the PACA results workshop, for both the diagnosis and for the identification of proposals the usage of the value chain maps as a structured basis for discussions proved to be extremely useful.



Value Chain map of net / bagan type fishery products

The PACA exercise created strong interest and motivation among local actors by making them understand that ILO's support programme is different to what they had experienced before. During the ongoing PACA process more and more actors and whole fishing villages tried to become involved. The fieldwork and the subsequent PACA presentation event saw local actors repeatedly asking for very specific aid interventions. Very obviously, most previous donor activities had focussed on promising the provision of boats and other equipment as well as financial aid to fishers and fish farmers. However, in many cases the material and financial means did not reach the targeted beneficiaries but evaporated somewhere in the delivery channels. It hardly needs to be emphasized that the anger and disappointment among local fishers was ubiquitously noticeable. During the presentation event, the stipulation by local speakers that any poten-

tial aid should not be distributed through government staff in order to avoid corruption, collusion and nepotism (“KKN” in Bahasa Indonesia) during implementation was acknowledged by the 60 representatives of fishing villages with roaring applause.



Not delivered boat aid rotting unprotected from weather

During the whole PACA process the team put specific emphasis on identifying obvious business opportunities that are untapped yet, but would certainly support the development of the fishery sector, such as the establishing of an urgently needed ice factory, the setting up of a fuel depot or even the opening of an Internet café in Teluk Dalam. In addition, 14 short- and medium-term activities have been proposed that need some support from outside or from government, such as entrepreneurship training to be conducted by ILO (using the SIYB training format) or the setting up of a fish auction place, possibly supported by ADB.



PACA presentation event in Teluk Dalam / South Nias

In order to follow-up on the PACA process and give continuous support to the fishery sector in South Nias the ILO intends to open an office in the district capital of South Nias, Teluk Dalam,

and to contract one of the very capable local PACA team members as permanent staff.

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