

A Ripple Effect

The post-COVID-19 lockdowns did not just hit fishing operations and markets in Cambodia but also resulted in nutritional insecurity for the most vulnerable small-scale fishers

By April 2021 Cambodia had recorded more than 2,500 cases of COVID-19 and 16 deaths. The government closed schools, discouraged mass gatherings and restricted travel from severely affected countries. The lockdowns impaired two major sectors of the country's economy: the garment industry and tourism.

Ms Lo, a grocery shop owner, felt this first-hand. Her husband and sons are fishermen and boatmen for tourists; the family owns a fuel shop, too. The family's income decreased by 50 per cent during the pandemic. "Not many tourists coming to our village. We have adequate food, but it is not really a nutritious diet. We borrow money from microfinance institutions in order to support our livelihood and to continue fishing," she says.

Lo's story is not an exception. Tourism, garment manufacturing and construction contributed to more than 70 per cent of Cambodia's economic growth and was responsible for 38.5 per cent of total employment in 2019, says the World Bank's 2020 data. Research shows that the pandemic has pushed many Cambodians into poverty, with an estimated 390,000 Cambodians losing jobs this year alone. The Ministry of Tourism says the loss of revenue in the tourism sector was around US\$3 bn in 2020, with a decline of about 50-70 per cent in foreign and local visitors. In Siem Reap, tourist arrivals contracted by 45.6 per cent in the month of April 2020.

The ripples of this downturn were felt, in turn, in the national economy. Before the pandemic, Ms Nang worked at a garment factory in Phnom Penh that has now shut down. With no options and no income, she travelled back to her husband's home town, Kampong Thom, to assist him: "He works on the

family rice farm, supplementing his income with construction work and fishing."

The slowdown and restrictions took away the jobs of over 100,000 Cambodian workers in neighbouring Thailand. The returnees went from being earning members of their households to a liability, another mouth to feed at a time of privation.

Fisheries constitute a large part of Cambodia's economy, contributing between 8-12 per cent of the country's gross domestic product (GDP). Over 6 mn Cambodians—45.5 per cent of the population—work in fishing and related activities; more than half of these are women. It is ironical that they cannot find fishing work after relocating to their home communities.

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The sector is divided into small-scale (or family) fisheries, middle-scale and large-scale (or commercial) fisheries, based on the type, number and size of fishing gear, as defined by government bodies. It is subject to specific regulations concerning gear, fishing grounds and timing.

Export decline

Almost 30 per cent of the country's population finds livelihood in small-scale fisheries. The country's fish exports have steadily declined over the years, partly due to an increase in domestic demand and partly due to a decline in fishing yields. The pandemic has hit the prices and demand for fish.

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Focus group discussions with Cambodian women. Small fish traders, predominantly women, were unable to negotiate prices, and do not have access to electricity and enough water to store fish

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There are no restrictions on fishing activities, markets, mobility of fishers and traders. Yet the sector is undergoing a major churn, as revealed in focus group discussions (FGDs) in the inland fisheries of Kampong Thom and Siem Reap provinces and in the coastal areas of the Koh Kong province.

The more they fished, the higher the loss! “Our fish catch dropped by 50 per cent,” said a fisherman during an FGD at Koh Kong village. What’s driven down sales further is the rumour that the coronavirus lives in fish.

Consequences of government interventions

The Cambodian government launched a ‘cash transfer programme’ to help poor people, identified as IDPoor and holding an Equity Card. It covered about 560,000 families, with Rural IDPoor households received assistance equal to US\$20 each. This first-of-its-kind social protection scheme rolled out in June-July 2020. The government has set aside US\$125 mn for this.

Despite its quick implementation, the United Nations Environment Programme (UNEP) noted that women were mostly unaware of the scheme. Furthermore, small fish traders, predominantly women, were highly vulnerable due to the downturn. Forced to absorb most of the loss due to a drop in the retail price, these traders were hit the hardest. Many are unable to negotiate prices, and do not have access

The increasing prices hit sales, leading to fishers questioning their effort and input.

A fisherman in Siem Reap pointed out how the drop in fish prices was not uniform across all categories; some types did worse than others. “I observed changes in retail prices [at the local market],” he said. The price of fish like snakehead had halved, he said.

A woman in Koh Kong drew attention to a steep rise in prices of certain fish after the drastic drop during the pandemic. The increasing prices hit sales, leading to fishers questioning their effort and input.

to electricity and enough water to store fish. Their consumers—low-income households—have been suffering themselves, reducing consumption.

The government banned fish exports in April 2020 for the sake of food security. This has contributed further to falling prices, with larger fishers forced to sell in the domestic market. Small-scale fishers now compete with larger fishers for the fish consumed by better-off families. When it comes to the cheaper fish consumed by low-income households, they have to compete with cheaper imported fish.

Yet this flux of demand and prices has not affected imports of cultured fish from Thailand and Vietnam. Import of seafood products from Vietnam increased from US\$47.7 mn in 2019 to US\$52.8 mn in 2020. A woman at an FGD in Kampon Thom said that these fish are sold at lower prices because they are not valued much in the Cambodian market. The demand for the cheaper fish has grown during the downturn. Farmed catfish from Vietnam is sold at US\$0.78 per kg, while the domestic catfish fetches US\$1.3 per kg. To counter this discrepancy, the government suspended imports of catfish from Vietnam in January 2021.

Market crises

The crises in the market for domestic fish do not extend to 'rice fish' (like catfish, caught in rice fields). Households pay extra for rice fish, which is valued highly in Cambodia for its flavour and health benefits. Men in Kampong Thom observed that rice fish prices increased more than 15 per cent during the pandemic.

What makes the situation worse for small-scale fishers is that they cannot compensate for declining margins by increasing volumes. Fish catch has been decreasing in Cambodia for the last few years due to overfishing, pollution, water shortage, climate change and a loss of fish spawning areas (because of coastal area development for non-fish purposes such as tourism and industry).

An FGD with fishermen in Koh Kong revealed that a large number of people left unemployed by the downturn due to pandemic are turning to fishing. "Before the COVID-19 crisis, we would

get a catch of 30 kg a day on average," said a woman at the Siem Rep FGD. "During the crisis, this reduced to 20 kg a day." While the daily catch has reduced, the number of fishers and fishworkers has not.

At the same time, decreasing incomes have forced fishers into other jobs to make ends meet. Before the pandemic, Ms Heng, the wife of a soldier, used to run a small shop selling fish products. Her business suffered a 20-30 per cent reduction due to the pandemic. She started working as a waste picker in her coastal village to supplement her income and provide for her family. "Even though we earn less than before, my family still has enough to eat," she said.

When it comes to the cheaper fish consumed by low-income households, they have to compete with cheaper imported fish.

While food has remained available, it is worth asking: what is its nutritional value? Heng admitted that what they eat now doesn't really constitute a nutritious diet. While the price of fish has gone down, the price of vegetables and meat has risen, making it difficult for fishers to buy other foods by selling their own produce, fish. Fishers say that they are now eating whatever they can find in the community—fish they catch and vegetables they plant. Many say they eat fewer vegetables and more fish now, skewing the nutritional balance.

Catching a break

Fishing, a source of livelihood for a majority of Cambodians, has suffered in a big way during the pandemic. There is an increased pressure on fishing resources; the workforce is increasing; and the demand for their products is steadily decreasing. The decline in fish catch also threatens the food security of Cambodia's poor, who depend significantly on the product, not just for income but also for personal consumption. While the prices of most foods in the market have risen, fish prices have—for the most part—steadily declined.

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Floating house on Tonle Sap Lake, Cambodia. What makes the situation worse for small-scale fishers is that they cannot compensate for declining margins by increasing volumes

Economic disparity

Although small-scale fishing has played an important role in meeting the nutritional needs of the poor, trends show that the pandemic has impacted the poor more severely

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than the better-off. It has hit women traders more than fishers themselves. And small-scale domestic fishers have been hit harder than fish importers. This is an economic disparity the country will have to counter quickly. If it does not, it will suffer the consequences for a long time. 3

For more

Fish Counts –Increasing the visibility of small-scale fisheries (SSFs) in Cambodia’s national planning

<https://pubs.iied.org/sites/default/files/pdfs/migrate/16671IIED.pdf>

Socio-economic impact of Covid-19 on Cambodia

<https://opendevelopmentcambodia.net/profiles/socio-economic-impact-of-covid-19-on-cambodia/>

Covid-19 opens a can of worms for fisherwomen in Cambodia

<https://www.unenvironment.org/news-and-stories/story/covid-19-opens-can-worms-fisherwomen-cambodia>

Cambodia economic update: Cambodia in the time of Covid-19, May 2020

<https://openknowledge.worldbank.org/handle/10986/33826>