



Sustainable Mekong Research Network *Regional Policy Brief*

Preserving the Transboundary Fish Trade as a Rural Job Source in Lao PDR, Cambodia and Thailand

Key Findings:

- **In the Mekong region, over 20,000 people rely directly on fish trading for employment along just one trade route through Cambodia, Lao PDR and Thailand.**
- **The fish trade is on par with rice farming in terms of generating income. The fish trade sector provides up to 70% of household income for fisher households in Lao PDR.**
- **Depletion of fish populations in the Mekong River will cause many people to lose a major source of income.**
- **Many people employed by the fish trade sector are poor, rural villagers who have no other job opportunities.**
- **The size of the fish trade between Stung Treng, Cambodia; Champassak, Lao PDR; and, Ubon Ratchathani, Thailand has grown significantly in recent years.**

Managing the Mekong River fisheries for economic benefits

The transboundary trade of fish between Cambodia, Lao PDR, and Thailand directly generates substantial employment for fishers, traders, and exporters. It also indirectly supports truck drivers, ice sellers, fishing gear makers and others. Over 20,000 people along just one route rely on the trade for much of their household income.

Most people who work in the fish trade are economically disadvantaged rural villagers with limited alternative employment options. The thousands of people identified in this study are a representative sample of the many rural people living in Lao PDR who stand to lose their livelihoods if a decrease in fish stocks occurs.

Fish stocks are threatened by irresponsible fishing methods, pollution from unregulated chemical use, rising demand and development in the region. Policymakers need to take account of the value of employment, income and other benefits that come from the fish trade sector in their economic analysis and planning for the future of the region.

SUMERNET study to understand transboundary fish trade

The SUMERNET collaborative research among Cambodia, Lao PDR, and Thailand investigated the fish trade along one of three major transboundary routes in the region—between Stung Treng, Cambodia; Champassak, Lao PDR; and, Ubon Ratchathani, Thailand. They aimed to quantify its direct and multiplier effects on livelihood and employment by determining how much income the fish trade sector contributes to actors at each point of the fish trade commodity chain: fishers, traders, and exporters. By determining how many people depend on the trade for employment, the researchers demonstrate the sector's significant and tangible economic value, and put a human face on a subject that most studies have primarily looked at from an ecological perspective.

The study results reveal that the size of the fish trade in this area has been previously underestimated, or has grown in recent years, compared to baselines.

The study estimates fish trade from Cambodia to Lao PDR to be 531 tonnes per year. The study also identified major changes to the path of the trade route over time.

Many fish used to pass through Lao PDR on their way from northern Cambodia to be sold in Thailand. However as Lao PDR has developed, demand from domestic consumers has now taken on a larger role as drivers of the trade. The cities of Pakse and Vientiane in Lao PDR have grown rapidly over the past decade, and they now consume most of the fish exported from Stung Treng, Cambodia that previously travelled on to be sold in Thailand. Officials interviewed for the study observed that fish exportation to Thailand along this route has virtually ceased.

The study found that greater numbers of tourists and growing wealth in Vientiane and Pakse are responsible for this increase in demand in Lao PDR for Mekong fish, which customers in restaurants and markets prefer to farmed fish. Study participants also explained that recent major road improvements connecting southern Lao PDR to Vientiane have enabled the trade to be conducted quickly and efficiently.

A healthy fish trade directly supports tens of thousands of jobs in Lao PDR for fishers, traders, and exporters; and indirectly supports truck drivers, ice sellers, fishing gear makers, and many others.



Study results show that over 20,000 people are directly employed in the fish trade along the Stung Treng to Lao PDR route alone and that fishers rely on the sale of fish for around 70% of their household income. This places it on par with rice production as a crucial income source for rural Lao people.

Policy recommendations

The study results establish the fish trade as a major source of rural employment. A healthy fish population in the Mekong River is vital to maintaining economic prosperity among the people of the Lao PDR.

The Government of Lao PDR has passed legislation to prevent overfishing, pollution, and irresponsible development: the main threats to the fisheries. However, the study's researchers observed that these fisheries laws were incomplete, and have not been strongly enforced. Fishers, traders, and even officials interviewed were not always aware of what the laws are and therefore compliance is still low.

The international nature of the threats to the Mekong's fisheries presents significant challenges to sustainable management of this resource. The fish trade sector is not well-regulated or standardized among the three countries, leading to administrative arbitrage, trade inefficiencies, unfair practices, and a lack of a coordinated response to difficulties or environmental threats. Legislation at the individual country level alone is inadequate to address threats to the fisheries; regional cooperation is required.

Article 8 of the 2009 Fishery Law of Lao PDR states, "The Government promotes cooperation with different countries [within] the region and with international organizations in the work of fisheries through the exchange of lessons, information, science, technology [and] upgrading of the technical staff [and in] participation in and implementation of those Agreements and International Conventions to which Lao PDR is a party." Accordingly, the results of this study reiterate the need for the Government of Lao PDR to cooperate with the governments of Cambodia and Thailand, and consult these governments and international organizations on issues regarding shared fisheries resources.

Regional recommendations: Lao PDR, Thailand and Cambodia

- Strengthen and simplify law enforcement through capacity building for the fish trade stakeholders and the local officials.
- Consider a transboundary fish trade agreement between the three countries.
- Raise public awareness about the economic importance of fisheries through mass media.
- Improve transboundary information sharing.
- Improve multisectoral collaboration within the different ministries in each countries.
- Encourage the creation of a Fisher or Fish Trader Association at national and transboundary levels.
- Include the employment and incomes generated by the fish trade sector and the vulnerability of stakeholders in cost-benefit analyses of development projects for the river.

Cambodia

- Establish fish landing sites at the commune or district level especially at the border (in addition to larger cities) to make the buying and selling process of fish operate more smoothly throughout the supply chain.
- Knowledge on fish production technologies should be provided broadly to fish farmers. The government should pay more attention to fish culture by developing laws that support the fish culture industry. Fish culture should be promoted to become more commercial-oriented to increase household income.
- Migration to work to other countries by unskilled labour could be limited and taking fish culture into account, reduce shortages of domestic labour and unforeseen risk.

Lao PDR

- Enforce the 2009 Lao Fishery Law through an implementation decree to make it effective.
- Add articles related to size of fish, amount of fish traded per year per species, fishing gear specifications and quantity of fishing gear.
- Enforce existing fish conservation zones and create additional conservation zones to be monitored by district officials.
- Involve the Ministry of Industry and Trade and the Ministry of Natural Resources and Environment in overseeing the fish trade sector, in addition to the Department of Fisheries from Ministry of Agriculture and Forestry.
- Cooperate with the governments of Cambodia and Thailand, and consult these governments and international organizations on issues regarding shared fisheries resources.

Thailand

- Conduct comprehensive environmental impact assessments of all proposed development projects on the Mekong River, especially hydropower dams.
- Stop the transborder trade of fish species, such as the Mekong Giant Catfish, that have been declared endangered and critically endangered by international conventions, by cooperating with the Lao and Cambodian governments to standardize regulations, penalties, and enforcement of trade laws.

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