

Project Summary

Preparing a fish handling centre

FLAG: Kainuu-Koillismaa Kainuu/Northern Ostrobothnia, Finland

Project overview

Activities funded by Axis 4 played a crucial role in levering in larger investment from Axis 2 of the EFF and local municipal funds for the development of a €2.7 million fish handling centre in Kuusamo.



This is a new concept in Finland; combining the needs of both fishermen and the processing industry under the same roof. The idea is to add value to locally caught fish by putting in place the infrastructure to freeze (and therefore store) as well as process it. This helps fishermen break the current seasonality of their work (in the



spring and autumn, when the ice on the lakes is weak, it's impossible to go fishing) and means processors can scale up their production volumes to meet local demand and make use of local supply from winter and summer fishing.

The Kainuu-Koillismaa FLAG financed the preliminary surveys and the feasibility study and, based on the positive results, supported cooperation among local stakeholders (fishermen, fish farmers, fish processors and the local municipality), which eventually led to a joint venture for the larger project. It also advised the municipality in applying for funding from the EFF Axis 2 strand.

Key lessons

- > Relevance to FARNET themes: Adding value to local fisheries products; coordination with other EFF axes.
- Results: Thanks to this project, €1.77 million of public money was raised (€759 488 from EFF Axis 2) to put in place a large logistics centre in Kuusamo, which is now providing excellent opportunities for local actors to develop their business operations. The catch handling part of the "fish house" contains cleaning and freezing units together with social and technical rooms. The local fishermen estimate they will handle over 300 000 kilos of fish per year here, improving their sales and product quality as well as logistics and cooperation.

The fish processing side of the centre has modern facilities to produce a variety of end products from fish pastes to smoked fish, marinades and tinned fish. Six new jobs have already been created in fisheries companies and two new jobs in processing. Moreover, it is expected that within 10 years, ownership of the "fish house" will be transferred from the municipality to the processing and fisheries companies currently running the operation which will have become a profitable and entirely private business.

- > **Transferability:** This project is particularly relevant for fisheries areas, especially remote ones, which lack the basic infrastructure to store and process their catch and therefore to generate any revenue beyond selling the primary product. Moreover, the methodology used to lever in larger investments from other funding streams can be interesting for all FLAGs looking at how to support larger scale investment in, for example, infrastructure.
- **Final Comment:** This offers an example of how FLAGs can prepare the ground for larger scale investments in their areas, both through preliminary surveys and studies and by mobilising and encouraging cooperation among the relevant actors.

Total cost and EFF contribution

> Total Project Cost: €23 250

EFF Axis 4 contribution: €9 997

National co-financing: €13 253

Project information

Title: Preparing a fish handling centre

Duration: Feasibility study: 12/11/2008 to 30/3/2009; planning lasted until 10/11/2009;

building: 28/4/2010 to 30/3/2011; final report of the total project: 30/11/2011.

Case study date: December 2011

Project promoter

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FLAG factsheet

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