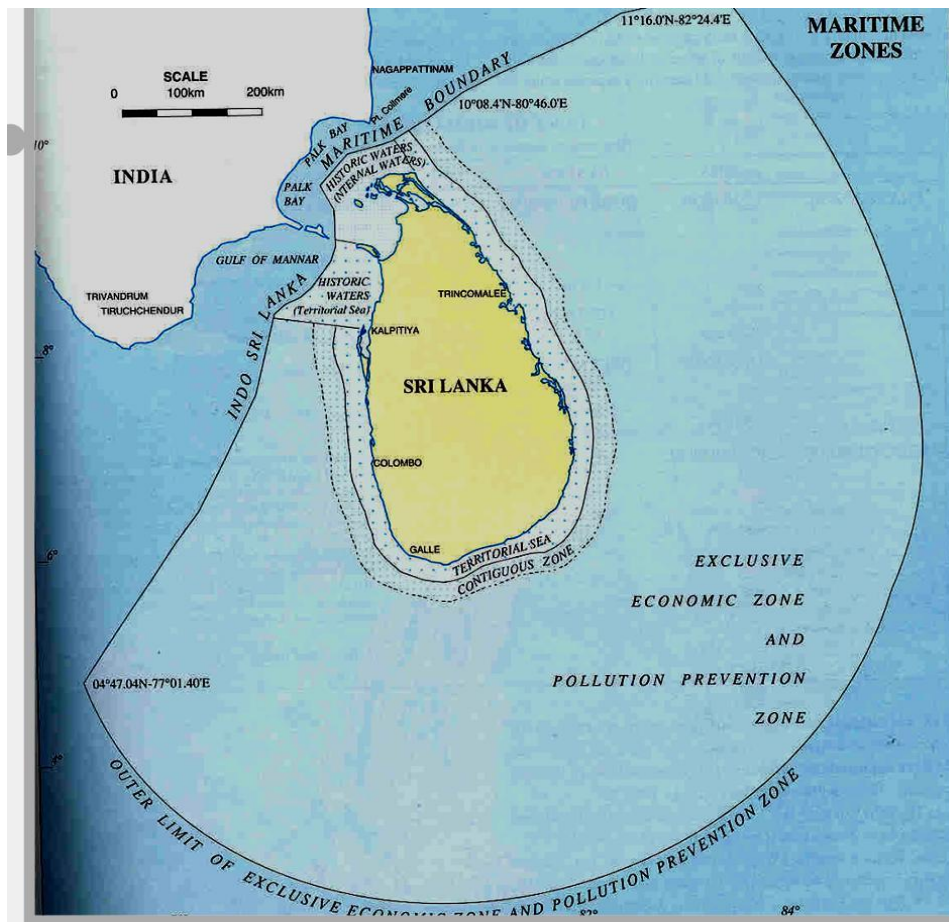




# THE NATIONAL FISHERIES AND AQUACULTURE POLICY



Ministry of Fisheries and Aquatic Resources Development

2018

## **1. INTRODUCTION**

The increasing demand for fish and fishery products in the domestic and international markets has created promising opportunities for coastal nations to increase the share of the fisheries and aquaculture industry in their national economies. To sustainably benefit from these opportunities, it is necessary to optimize the production from fisheries and aquaculture industry without over-exploiting their resource base. For development of fisheries and aquaculture in Sri Lanka, new investments need to be fostered. One of the basic requirements to build-up the confidence of local and foreign investors to invest in the sector, is to have a stable national fisheries and aquaculture policy in place that conforms to the general economic and social development policy of the Government. It is also necessary to ensure that the development and management of the sector conforms to the requirements stipulated in regional and international treaties on conservation and management of fisheries resources.

In this context, the Ministry of Fisheries and Aquatic Resources Development, in association with the departments and agencies under its purview has formulated the National Fisheries and Aquaculture Policy presented in this document, after a comprehensive consultation process. The Fisheries and Aquaculture Department of the Norwegian Ministry of Trade, Industry and Fisheries under a bilateral co-operation agreement has provided advisory services for development of the Policy.

## **2. THE FISHERIES AND AQUACULTURE SECTOR**

Fishing has a long tradition in Sri Lanka that goes back to over two thousand years. It was one of the primary economic activities of the coastal communities. Marine fishing has gradually developed from a livelihood activity to a multibillion rupee industry over the years, particularly since Sri Lanka obtained Independence from the British rule in 1948. Inland fishing and aquaculture are recent developments not older than 75 years. Coastal aquaculture commenced in early 1980s with the establishment of shrimp farms in the North-western Province. Marine aquaculture commenced much later, i.e. around 2010.

The fisheries resource base of the country comprises the exclusive economic zone (EEZ) of 517,000 sq km, the territorial sea of 21,500 sq km, and internal waters that include lagoons and estuaries of 1580 sq km, and man-made reservoirs of 5200 sq km. The bays, lagoons, reservoirs and certain lands located in coastal and reservoir areas make the resource base for development of aquaculture.

The sector contributes around 1.4 % to the Gross Domestic Product (GDP) at current market prices. It provides direct and indirect employment to around 575,000 persons (3.7 % of the workforce of the country). The current (2017) annual fish production amounts to over 530,000 tons with a value addition of over USD 1300 million. The sector also supports an export industry that exports about 5 % of the production comprising tuna, shrimp, lobster, crab, sea-cucumber ornamental fish, etc. and earning over USD 250 million. Fish is the main source of animal protein of the masses. Currently the local fish production supplies around 65 % of the total amount of fish required for the consumption in the country and the balance is imported. The Government intends to meet the total requirement from the local fisheries and aquaculture production or alternatively meet the cost of fish imports from part of the income of fish exports.

### **3. OBJECTIVES OF DEVELOPMENT**

The Government envisages achieving the following objectives from implementation of the new Policy in the fisheries and aquaculture sector.

1. Sustainable management of resources using science-based information
2. Compliance with regional and international obligations
3. Increased marine fisheries production
4. Increased aquaculture and inland fisheries production
5. Minimized post-harvest losses and increased value addition
6. Increased per capita consumption of fish
7. Increased export earnings
8. Improved opportunities for leisure, employment and enterprises development
9. Improved socio-economic conditions of the fisher community

### **4. POLICIES**

The policies developed are presented under five areas, i.e. marine fisheries, aquaculture and inland fisheries, consumers and markets, blue economy, and other areas. Each policy will be implemented in accordance with a master plan that will be prepared with activities to be implemented and investments to be made for the period 2018 – 2025 for realization of the envisaged objectives.

#### **4.1. Marine Fisheries**

The current (2017) national fish production of Sri Lanka amounts to over 530,000 tons. Of this about 450,000 tons (85 %) comes from marine fisheries, which include fisheries conducted in the territorial sea and exclusive economic zone, and high seas. Fish production needs to be increased within sustainable levels. This needs implementation of measures such as controlled expansion of the fishing fleet and enhanced management of resources. Following are the policies applicable to marine fisheries.

##### Sustainable Management of Resources

The Government will:

- 4.1.1. Ensure sustainable management of the living marine resources based on the best available evidence from social, economic and ecological sciences.
- 4.1.2. Apply ecosystem and precautionary approaches to promote responsible fisheries management.
- 4.1.3. Enhance the stocks of endangered, threatened and protected species.
- 4.1.4. Enhance fish stocks in the territorial sea and the exclusive economic zone (EEZ) by ranching and habitat enhancement.
- 4.1.5. Prevent overcapacity of the fishing fleet.
- 4.1.6. Divert marine fishing efforts from over-exploited areas to unexploited or under-exploited areas.
- 4.1.7. Promote the use of fishing practices and equipment that cause comparatively low adverse impacts on the environment.
- 4.1.8. Maintain the ban of fishing in Sri Lanka waters by foreign fishing vessels except for research and development purposes.

- 4.1.9. Promote responsible fisheries in compliance with requirements stipulated in international treaties concerning management of fisheries.
- 4.1.10. Limit the new access to high seas fishing only to fishing vessels equipped with state-of-the-art technology for fish detection, on-board fish quality maintenance, etc.

#### Strengthening of Governance

The Government will:

- 4.1.11. Levy a royalty for exploitation of fish stocks in EEZ, and use the proceeds for management and development of fisheries.
- 4.1.12. Levy a fee for allocation of fish catch quotas to local fishing vessels fishing in high seas, and use the proceeds for management and development of fisheries.
- 4.1.13. Use management information systems for planning, management and reporting.
- 4.1.14. Strengthen the co-governance and management processes.
- 4.1.15. Apply temporal and spatial planning.
- 4.1.16. Develop human resources required.

#### Increasing of Fish Production

The Government will:

- 4.1.17. Strengthen the fisheries forecasting system for fishers to obtain information on locations for productive fishing.
- 4.1.18. Promote fishing for un-exploited or under-exploited fish stocks in EEZ.
- 4.1.19. Promote the use of locally produced bait including live bait in line fisheries.
- 4.1.20. Promote foreign fish landings in a responsible manner in accordance with the relevant international treaties.

#### Compliance with Regional and International Agreements

The Government will:

- 4.1.21. Participate actively in the regional and international fisheries management forums.
- 4.1.22. Comply with fisheries management measures stipulated in international treaties and by Regional Fisheries Management Organizations (RFMO)s.
- 4.1.23. Cooperate with other coastal states directly and through RFMOs for conservation and management of highly migratory and straddling fish stocks.
- 4.1.24. Cooperate with the Food and Agriculture Organization (FAO) in conservation and management of fisheries resources.
- 4.1.25. Comply with the requirements stipulated in international labour conventions and international maritime conventions in regard to maritime labour.
- 4.1.26. Provide port access and assistance as a port State in accordance with the international law to foreign fishing vessels in distress.

#### Infrastructure Facilities

The Government will:

- 4.1.27. Establish and operate the major fishery harbors through the Ceylon Fishery Harbours Corporation (CFHC).
- 4.1.28. Promote operation of fishery harbours under the “green fishery harbour” concept and as multi-purpose fishery harbours.
- 4.1.29. Promote the private sector to establish and operate other infrastructure facilities.
- 4.1.30. Develop anchorages and minor fish landing sites and hand over to fisher communities in the respective areas for operation and maintenance.

### Fishing Vessels

The Government will:

- 4.1.31. Control the possible overcapacity of the fishing fleet.
- 4.1.32. Improve quality assurance of fishing vessels.

### Safety at Sea and Occupational Safety

The Government will:

- 4.1.33. Ensure safe, healthy and fair working conditions at sea and on land in accordance with international standards.
- 4.1.34. Promote the establishment of insurance schemes concerning safety at sea and occupational safety.

## **4.2. Aquaculture and Inland Fisheries**

Sri Lanka has a large extent of inland waters that include lagoons, estuaries, rivers, perennial and seasonal reservoirs, and *villus* (flood lakes), and therefore there is potential for further development of aquaculture and inland fisheries. Aquaculture and inland fisheries, which at present produces nearly 75,000 tons of fish annually provide a viable option for increasing the national fish production on a sustainable basis. Aquaculture requires land and water resources, which are used for human needs and many other development activities and therefore development of aquaculture may come into conflicts with other land-use patterns. Aquaculture may also result in adverse environmental impacts. Therefore, development of aquaculture needs prior spatial planning and environmental, socio-economic and cultural impact assessments. Policies guiding development of aquaculture and inland fisheries are the following.

### Sustainable Management of Resources

The Government will:

- 4.2.1. Apply ecosystem approach to management of fisheries in inland waters.
- 4.2.2. Ensure conservation of aquatic biodiversity in inland waters.
- 4.2.3. Regulate the length and engine capacity of fishing vessel fishing in lagoons and estuaries.
- 4.2.4. Not allow the use of motorized boats for fishing in reservoirs.
- 4.2.5. Apply temporal and spatial planning in development of aquaculture.
- 4.2.6. Allocate land and water resources for aquaculture projects only after environmental, socio-economic and cultural impact assessments.
- 4.2.7. Ensure that aquaculture projects are implemented in strict compliance with conditions of approval.
- 4.2.8. Strengthen the aquaculture-animal healthcare activities.
- 4.2.9. Promote the use of best management practices (BMPs) in aquaculture.

### Strengthening of Governance

The Government will:

- 4.2.10. Use management information systems for planning, development, management and reporting.
- 4.2.11. Strengthen the co-governance and co-management processes.
- 4.2.12. Develop human resources required for governance.
- 4.2.13. Utilize part of the earnings from fisheries in each inland waterbody for sustainable management of fisheries in the respective waterbody.

### Increasing of Fish Production

The Government will:

- 4.2.14. Develop fisheries and aquaculture as appropriate in inland waters.
- 4.2.15. Promote fishing for under-exploited and unexploited fish resources in inland waters.
- 4.2.16. Expand and intensify aquaculture through environmentally friendly approaches.
- 4.2.17. Promote the culture of indigenous species, and new exotic species in compliance with the Food and Agriculture Organization (FAO) Code of Practice for the Introduction of Aquatic Species.
- 4.2.18. Genetically improve the performance of fish species used for aquaculture with the application of the precautionary principle.

### **4.3. Consumers and Markets**

The basic objective of fisheries and aquaculture world over is to produce fish as human food. Fish not only provides animal protein but also healthy fatty acids, vitamins A and D, minerals and micronutrients such as calcium, iodine, iron, zinc and selenium. Good nutritional status leads to higher individual performance and mental acuity, which in turn supports macroeconomic and social growth. In addition to providing nutrition, fisheries and aquaculture play an important role in providing food security, as a provider of income and livelihood. According to FAO, food security exists when all people at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life. Fish, produced and distributed should be of a good food safety and quality standard with no or minimum post-harvest losses, and thus of a high economic value. Fish should be available in all areas of the country at prices affordable to all income segments. Following are the policies guiding distribution, marketing and export of fish.

### Food Security, Food Safety and Nutrition

The Government will:

- 4.3.1. Create employment with adequate income levels in the sector to ensure food security of more people.
- 4.3.2. Ensure quality and food safety of locally marketed fish and fishery products.
- 4.3.3. Promote consumption of sufficient fish for meeting nutritional requirements.
- 4.3.4. Stock fish as buffer stocks during gluts to ensure the availability of fish at reasonable prices during lean periods.
- 4.3.5. Ensure the traceability and transparency at all stages of the value chain process.

### Elimination or Minimizing of Post-Harvest Losses

The Government will:

- 4.3.6. Improve quality infrastructure facilities in the production and supply chain.
- 4.3.7. Develop awareness on best fish handling practices.

### Increasing of Exports

The Government will:

- 4.3.8. Promote investments in export-oriented fisheries and aquaculture projects.
- 4.3.9. Promote the production of fish and fishery products meeting the food safety and quality standards acceptable in the international market, and ensure an efficient supply chain management.

- 4.3.10. Promote the import and culture of new exotic species that have the potential for export.
- 4.3.11. Promote the production and export of live ornamental fish and aquatic ornamental plants.
- 4.3.12. Promote a market driven production of fisheries and aquaculture products including innovative products.
- 4.3.13. Promote the eco-friendly or organic production of fisheries and aquaculture products, which fetch comparatively higher prices in the international market.
- 4.3.14. Provide assistance for branding of Sri Lankan products.
- 4.3.15. Promote the construction of fishing vessels, recreational vessels and other vessels for export.
- 4.3.16. Work for trade agreements that will improve the access to all export products including fisheries and aquaculture products in identified or prioritized international markets.

#### **4.4. Blue Economy**

The “Blue Economy” is sustainable use of ocean resources for economic growth, improved livelihoods and jobs, while preserving the health of marine and coastal ecosystems. Under the concept of blue economy there is a global trend of undertaking marine associated new economic activities. These new economic activities apart from optimizing the benefits of marine resources, may reduce the pressure now being exerted on the fisheries resources, since some of the fishers may leave fishing for other economic activities. This concept still being in its infant stages and Sri Lanka has not significantly ventured into it. However, in view of the vast potential and opportunities that exist for Sri Lanka as an island nation to benefit from the resources in the ocean, it is timely that Sri Lanka seeks exploiting the ocean resources other than fisheries in innovative ways. The following policies will guide the development of blue economy.

The Government will:

- 4.4.1. Promote the establishment of new marine industries utilizing living marine resources.
- 4.4.2. Regulate the access to marine bioprospecting with equitable sharing of benefits.
- 4.4.3. Promote integration of marine activities to ensure maximum efficiency,
- 4.4.4. Promote recreational fisheries without conflicting with mainstream fisheries.
- 4.4.5. Promote establishment of marinas and marine-based tourism activities.
- 4.4.6. Conserve ship wrecks for enhancement of fish stocks and promotion of tourism.
- 4.4.7. Apply the “green-harbour concept” in development and management of fishery harbours.
- 4.4.8. Promote conservation of the marine and coastal environment.

#### **4.5. Other Areas**

This section covers the topics applicable to the entire fisheries and aquaculture sector that includes marine fisheries, aquaculture and inland fisheries, consumers and markets, and blue economy. Following are the applicable policies.

### Generation of Employment Opportunities

The Government will:

- 4.5.1. Work for generation of more employment opportunities in the sector where possible.
- 4.5.2. Assist women in the fisher communities to set up micro-business enterprises with special attention to widows.
- 4.5.3. Provide training and capacity building programs to assist women and marginalized groups to take up supplementary income generation activities.
- 4.5.4. Encourage communities to commence business activities including integrated sustainable tourism.
- 4.5.5. Motivate communities to commence aquaculture or culture-based fisheries as income activities in wetland areas associated with their villages.
- 4.5.6. Train school leavers in advanced technology related to fisheries, aquaculture and new marine industries targeting employment.
- 4.5.7. Train skippers and crew members for foreign employment.
- 4.5.8. Continue to implement the poverty alleviation programmes that provides sustainable livelihoods.

### Environment, Climate and Natural Disasters

The Government will:

- 4.5.9. Develop a strategy to address the environmental and climatic-change challenges, and impacts of natural disasters.
- 4.5.10. Take possible precautions to prevent marine pollution given its direct adverse impacts on fish and other living marine aquatic resources.
- 4.5.11. Provide assistance to the communities affected by disasters to resettle and recommence livelihoods.
- 4.5.12. Formulate an inter-institutional network system of responsible authorities to address impacts of natural disasters.
- 4.5.13. Develop peoples' resilience capacity to cope with climatic change impacts.
- 4.5.14. Improve the research work and institutional involvement to fill the information gaps and develop a database on climate change related issues.

### Gender

The Government will:

- 4.5.15. Promote equal opportunities for women's participation in the activities of the sector.
- 4.5.16. Make gender mainstreaming an integral part of small scale fisheries development strategies.
- 4.5.17. Create conditions for both men and women to have equal access to resources and benefits.
- 4.5.18. Encourage both men and women to participate jointly in finding solutions to their problems.

### Improvement of the Socio-Economic Conditions of the Fisher Communities

The Government will:

- 4.5.19. Take measures to prevent alcoholism in fishing communities.
- 4.5.20. Ensure that adequate compensation is provided to fisher communities who will be affected by development activities in the respective areas.
- 4.5.21. Improve the social safety net and social security protection for the fishers and fish workers including women.



- 4.5.22. Respect the tenure rights of the traditional, migrant, subsistence and artisanal fishing communities to land, waters and fish resources.
- 4.5.23. Make right holders responsible for sustainable use of the resources.
- 4.5.24. Ensure safe, healthy and fair working conditions at sea, inland waters and on land.
- 4.5.25. Involve fishing communities in designing, planning and implementation of fisheries management measures.
- 4.5.26. Build the capacity of fishers and ensure their effective participation in fisheries management.
- 4.5.27. Promote investment in human resource development such as health, education, literacy and digital inclusion in fishing communities.
- 4.5.28. Progressively realize rights of the small scale fishers and fishworkers to an adequate standard of living in accordance with the national and international human right standards.

#### Subsidies

The Government will:

- 4.5.29. Use subsidies only as a tool in management of the sector.
- 4.5.30. Wean away the fishers from the mentality of dependency on subsidies.

#### Financing Facilities

The Government will:

- 4.5.31. Encourage private financial institutions to develop financial instruments to ensure financial inclusion for fishers.
- 4.5.32. Encourage fisher communities to deal with banks and other formal credit institutions for their financial requirements.

#### Private Sector Participation

The Government will:

- 4.5.33. Promote the private sector participation in the sector.
- 4.5.34. Promote the establishment of public – private partnerships (PPPs) for investment in the sector.

#### Human Rights

The Government will:

- 4.5.35. Ensure that no human rights are violated in development and management of fisheries and aquaculture.

#### Anti-Corruption

The Government will:

- 4.5.36. Work for prevention of corruption and economic fraud including fish-laundering in the fisheries and aquaculture sector.

#### Fisher Organizations

The Government will:

- 4.5.37. Recognize, empower and strengthen fisheries cooperatives in addressing issues in fisheries and fisher wellbeing, and in representing fishing communities at decision making platforms.
- 4.5.38. Liaise with fisheries cooperatives in integrated coastal zone management.

## **5. CONCLUSION**

This Policy was formulated taking guidance from the Government economic policy framework document, “V2025 A Country Enriched”. Implementation of the Policy is expected to contribute to achievement of the Government’s economic vision, i.e., to make Sri Lanka a rich country by 2025 by transforming the country into the hub of the Indian Ocean with a knowledge-based, highly competitive, social-market economy.

The Government’s role in the development of the sector is basically confined to management with the objective of ensuring the sustainability and equitable distribution of the benefits of the development. The private sector is expected to undertake commercial activities in the sector. However, the Government will continue to invest in certain areas such as development of infrastructure facilities, in which the private sector is perhaps reluctant to invest owing to their long payback periods.

Implementation of the Policy is expected to ensure sustainability of the fisheries and aquaculture industry, through effective governance and management mechanisms with the participation of all stakeholders through a participatory and holistic process. Such a process will ensure the achievement of both ecosystem health goals and human development goals. The outcome will be a transformation of the fisheries and aquaculture industry to a knowledge-based, sustainable and modern industry that benefits all stakeholders.