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COMMITTEE ON FISHERIES

SUB-COMMITTEE ON AQUACULTURE

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IMPROVING PLANNING AND POLICY DEVELOPMENT IN AQUACULTURE: OPPORTUNITIES AND CHALLENGES

SUMMARY

Governments, regardless of the state of advancement and development of aquaculture in their countries, are generally aware of the importance of planning for the sustainable development of the sector and its contribution to food security and economic growth. However, the human and institutional capacities to plan aquaculture development are often lacking in those countries that need it most. Poor planning of the development of aquaculture has led to slow, uncoordinated, unbalanced and unsustainable growth of the sector in some countries and regions. This paper highlights the main problems associated with aquaculture planning, the consequences of poor planning and the challenges encountered when trying to improve planning processes. Current and planned activities of the FAO Fisheries Department on aquaculture planning are described. The Sub-Committee Members are invited to comment on the activities undertaken in recent years and discuss what they intend to work on concerning improvement of planning and policy development in aquaculture and to indicate where they foresee opportunities for collaboration with FAO during the intersessional period.

INTRODUCTION

1. While aquaculture production is growing worldwide, the need for proper planning of the development of the sector through the formulation of appropriate and supportive policies is increasingly acknowledged. During its First (2002) and Second (2003) Sessions, the Sub-Committee on Aquaculture emphasized the need for governments to support planning processes aiming at creating enabling environments for sustainable aquaculture development.

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2. In general terms, the act of planning the development of a sector of the economy provides the means to regulate, in the public interest, the development of an activity in order to achieve a set of determined goals and objectives. Planning reduces risks, informs decision-making, establishes trust and conveys information. To be applicable and effective in achieving the desired goals and objectives, planning outcomes rely on political support, stakeholder participation and resource commitment¹. Planning is not a magic formula for achieving development progress. Inadequately carried out, planning will yield results that may not be any better or may even be worse than no provisions for planning at all². This applies to the context of aquaculture development where planning is an important process that will stimulate and guide the evolution of the sector by providing incentives and safeguards, attracting investments and boosting development, whilst ensuring long-term sustainability (economically, environmentally and socially), to ultimately contribute to economic growth and poverty alleviation.

3. The aim of the working document is to obtain comments and advice from the Sub-Committee Members on the activities undertaken and planned by the FAO Fisheries Department in support of the preparation and dissemination of best-practices in planning for sustainable development of the aquaculture sector. The specific objectives of the present document are to state the problems related to aquaculture planning, describe the practical implications of such problems, analyse the planning challenges for the future development of the aquaculture sector, present efforts made and seek advice from the Sub-Committee for future measures and actions to overcome these challenges.

PROBLEMS RELATED TO PLANNING

4. Adequate planning and policy development related to aquaculture is impeded by a number of factors, most of which are found predominantly in less developed countries. These factors relate to: i) limited human and institutional capacities; ii) confusion over terminology and requirements; iii) weak planning processes; and iv) information gaps. Each is reviewed in turn hereafter.

Inadequate human and institutional capacities

5. Despite the fact that capacity-building has become a prominent feature of most development projects, it often remains confined to skills development regarding technology use. In higher government spheres where most officials have been trained in engineering, biology or related disciplines, economists and planners dealing with aquaculture and fisheries development and management are notable exceptions. Although the relevance of engineering and biology-related knowledge is not to be brought into question, the narrow focus of such disciplines may disturb areas of policy making that economists are better equipped to deal with, especially given the linkages that a sector like aquaculture has with the wider economy. In many institutions responsible for aquaculture development, particularly within institutions in developing countries where aquaculture has traditionally played a minor role, but which are awaking to the opportunities for economic growth offered by the sector, the right mix of skills for planning purposes is generally not available.

Confusion about planning terminology and requirements

6. Planning is a rational process undertaken to elaborate a coherent framework to achieve a set of broad and agreed-upon policy goals, based on the identification of problems and issues to overcome. It is part of a process structured logically along i) a policy, ii) a strategy, and iii) a plan of action for policy implementation.

¹ Conroy, M.M. & Berke, P.R. 2004. *What makes a good sustainable development plan? An analysis of factors that influence principles of sustainable development. Environment and Planning*, 36(8): 1381-1396.

² Hamlich, R. 1988. *Methodology and guidelines for fisheries development planning with special reference to the developing countries in the African region*. FAO Fisheries Technical Paper No. 297, Rome, FAO.

7. A policy sets the long term direction of development. By their very nature, policy goals tend to be broad in scope, and may typically relate to issues such as sustainable resource exploitation, economic growth, generating employment, increasing export earnings, poverty alleviation and the achievement of food security.

8. Strategies indicate how policy goals could be met. Each policy goal can be supported by one or more strategies, whose objectives are concretely defined and more immediate. Also of importance during this stage, is the specification of cross-cutting strategies in support of more than one policy goal. For example, strategies relating to human- and institutional capacity development, research, and strengthening cross-sectoral collaboration may all help to support a variety of policy goals.

9. The final stage of the process includes the preparation of a plan of action, or implementation plan which contains the detailed activities to be undertaken to achieve each strategic objective. These activities should be SMART (Specific, Measurable, Attainable, Relevant and Time-bound) and have clearly allocated responsibilities to those required to undertake them.

10. Measurable and agreed indicators should be specified for all the objectives as well as for monitoring of implementation.

Weak planning processes

11. A recent study of a number of national policies, strategies and plans for aquaculture development across the world highlighted that planning processes undertaken and methodologies followed were not always robust³. The institutional environment in place may affect the planning process both positively as well as negatively. Examples of institutional limitations which can manifest themselves negatively include: i) top-down processes and lack of participation of all stakeholders, including direct potential policy beneficiaries such as communities, fish farmers and those outside the aquaculture sector; and ii) lack of commitment on behalf of those in governments in charge of implementing the outcomes of the planning process. Inadequately formulated and poorly enforced legislation and regulations are another source of failure to achieve the objectives. The adoption of legitimate, transparent and agreed upon processes, when carrying out planning, is essential⁴.

Information/data gaps

12. Planning requires processing vast amounts of information. The form of this information ranges from opinions and verbalised needs from primary stakeholders (e.g. fish farmers in communities) to quantitative data series. The second Session of the Sub-Committee (2003) recognized the importance of collecting accurate and reliable data for the aquaculture sector as critical for planning the development of the sector. In this respect, the implementation of the Strategy and Outline Plan for Improving Information on Status and Trends in Aquaculture, as prepared by the Expert Consultation organized on this subject in January 2004 in Rome (See document COFI:AQ/III/2006/ Inf. 6)⁵, would be a great leap forward.

13. It should be recognized that not all desired information may exist and/or be accessible. Information is usually costly to obtain, whether in financial or temporal terms, and if it is withheld or not made readily accessible, its value is seriously wasted. Coupled with problems highlighted in the Section above, information and data gaps will negatively affect the planning process and result in less convincing and weak policies which may be arbitrary, and open to criticism.

³ Brugere, C. & Ridler, N. 2004. *Global aquaculture outlook in the next decades: an analysis of national aquaculture production forecasts to 2030*. FAO Fisheries Circular No. 1001. Rome, FAO.

⁴ Mascarenhas, M. & Scarce, R. 2004. "The intention was good": Legitimacy, consensus-based decision-making, and the case of forest planning in British Columbia, Canada. *Society and Natural Resources*, 17(1): 17-38.

⁵ FAO Fisheries Department. 2005. *Towards improving global information on aquaculture*. FAO Fisheries Technical Paper. No. 480. Rome, FAO. 172p.

NEGATIVE CONSEQUENCES OF INADEQUATE PLANNING

14. Inadequate planning could lead to wrong economic choices and bad policies. It could also result in slow, uncoordinated and unsustainable development of the sector as well as in conflicts within and outside the sector.

Poor economic choices and decisions

15. Poor economic choices and decisions may lead to the use of inadequate economic instruments, and incentives such as subsidies and taxation, the latter usually acting as an impediment to investment in the sector. Inadequate financial incentives (e.g., credit, money transfer and payment, saving schemes, insurance) and use of subsidies to support parts of the aquaculture sector are another example of sub-optimal economic decisions. Macro-economic policies (such as exchange rate policies, fiscal policies and monetary policies) can also adversely affect business confidence and viability⁶. The lack of coherence between policies, limited transparency and partial harmonization of macro-economic and sectoral policies, often decreases competitiveness of the aquaculture sector both domestically and internationally, whilst hampering its sustainable development.

Slow, unbalanced, uncoordinated and unsustainable aquaculture development

16. Slow, unbalanced and uncoordinated aquaculture development results from the combined effects of both poor planning and wrong economic choices. One of the first manifestations of such a development will be the failure to meet expected increases in production. Other indirect manifestations are likely to include:

- weak and ineffective producer and trader organisations;
- inadequate provisions made for poorer groups of society to encourage their participation in aquaculture activities;
- appropriation of resources and benefits by elite groups;
- ignorance of environmental and social aspects; and
- extension services and human capacity development that do not match the requirements of the sector, coupled with research that has limited immediate relevance to the sector and its producers.

17. When these hindering factors are not tackled as part of a coherent framework, their combined effects will translate in efforts and investments made on an individualistic and ad-hoc basis, with little contribution towards the achievement of objectives and goals set at the national level.

Inter- and intra-sector conflicts

18. Conflicts are another consequence of poor planning processes. Although conflicts are often linked to ethnic or social rivalries, competing economic interests usually lurk in the background⁷. Such competing interests, along with conflicts between objectives (i.e. when planning agencies have diverging objectives such as environmental protection, economic development and social equity⁸), can easily generate confrontations – e.g. between large-scale and small-scale aquaculture producers, and/or between the aquaculture sector and other sectors of the economy competing for the same resources (land, water, capital and labour).

⁶ Ridler, N. & Hishamunda, N. 2001. *Promotion of sustainable commercial aquaculture in sub-Saharan Africa*. Volume 1: Policy framework. FAO Fisheries Technical Paper 408/1. FAO, Rome.

⁷ Bardhan, P. 1997. *Method in the madness? A political-economy analysis of the ethnic conflicts in less developed countries*. World Development, 25(9), 1381–1398.

⁸ Béné, C., Macfayden, G. & Allison, E. 2004. *Increasing the contribution of small-scale fisheries to poverty alleviation and food security*. FAO Technical Guidelines for Responsible Fisheries No. 10. FAO, Rome.

19. Conflicts contribute to the slow and unsustainable development of the aquaculture sector. They could nonetheless be minimised with appropriate consultation and stakeholder involvement throughout the planning processes.

CHALLENGES FOR PLANNING AND POLICY FORMULATION

20. There are a number of challenges to overcome in the planning and policy formulation process.

Integrating and managing multiple stakeholder interests

21. Policy development is a complex, multi-stakeholder process. There is evidence that including proposed beneficiaries of service provision and policy implementers, in policy development can benefit the process and produce more workable and useful policies^{9,10,11,12,13,14}. Multiple stakeholders can be brought together through a participatory process to policy formulation. A process approach allows for unintended outcomes and local variability. It should be recognized that such an approach can be difficult to negotiate as it allows for a degree of flexibility in decision-making that can be perceived as diminished control by some.

22. Integrating multiple stakeholders will imply defining precisely the roles to be played by each stakeholder in the policy formulation and implementation process, particularly the public sector, the private sector, producer/trader organisations and NGOs. In particular, the commitment and involvement of aquaculture producers and their associations to the planning process is essential.

Finance and resource allocations

23. A key factor in ensuring that planning outcomes (policies, strategies and action plans) can actually be implemented is the allocation of appropriate funds and other resources to these.

24. The allocation of resources requires careful consideration of the timing of budget allocations/release, and a match of the time-bound responsibilities of activities with the availability of the funds to be provided by the government and other stakeholders (e.g. private sector entrepreneurs, NGOs and donors).

25. Special care should be given during the planning process to assess both “additionality” and “leverage”¹⁵. Additionality is the extent to which any investment and/or activity might proceed in the absence of any government sector support. It is important at all times to make sure that governments are not spending money on activities that the private sector would otherwise have invested in anyway. “Leverage” is the extent to which spending government sector money can help to encourage private sector investments of benefit to the sector. Efforts should thus be made at all times to identify activities which would help to encourage related private sector investment.

⁹ Cook, D. 2002. *Consultation for a Change? Engaging Users and Communities in the Policy Process*. Social Policy and Administration, 36(5), 516-531.

¹⁰ Ellis, F. & Biggs, S. 2001. *Evolving Themes in Rural Development 1950s-2000s*. Development Policy Review, 19(4): 437-448.

¹¹ Goetz, A. M. & Gaventa, J. 2001. *Bringing Citizen Voice and Client Focus into Service Delivery*. IDS Working Paper. Sussex, UK: Institute of Development Studies.

¹² Robb, C. 2000. *Hear Their Voice: Can the Poor Influence Policy?* ID21 Report. Development Research Reporting Service.

<http://www.id21.org/zinter/id21zinter.exe?a=0&i=4ccr1&u=3d6f28e9>

¹³ Saxena, N. C. 2002. Policy and Legal Reforms for the Poor in India. UNDP. <http://colombo.undp.org.in/NCSPoor.htm>

¹⁴ STREAM, 2003. *Investigating improved Policy on Aquaculture Service Provision to poor People*. DFID NRSP Research Project R8100 March 2002 - May 2003. Department for International Development, London.

¹⁵ Macfadyen, G., Haylor, G., Brugere, C. & Savage, W. 2006. *Guidelines for reaching policy consensus and implementing policy*. TCP/PAK/3005. Rome, FAO. (In preparation).

Human capacity development

26. A key aspect to consider in the planning process is the level of human capacity that is available to carry out the activities specified in the planning documents. It is likely that some level of “capacity development” will be required if a policy is to be successfully implemented.

27. Human capacity development needs specific attention because of changes in the international development context such as a move in public management towards decentralization, strengthening relationships between government and civil society privatization and deregulation; increasing emphasis on good governance; the information and communications revolution, etc. It also needs attention because new approaches to fisheries and aquaculture management, such as the ecosystems approach, are more inclusive and require levels of capacity which were not previously necessary.

Conflict prevention and mitigation

28. The integration of conflict prevention and mitigation measures in the planning and policy implementation process is important. A key aspect in preventing and mitigating conflict is simply to provide transparent and timely information to stakeholders about why, and how, a policy is being implemented. This can be achieved through electronic means, e.g. an appropriate web-page, or through more conventional means such as aquaculture extension officers. The key point is that, in the absence of information and communication from the government, rumours and misinformation can quickly spread.

29. Some countries also have detailed procedures for conflict mitigation, so that when conflicts do arise, there is a transparent and accountable process for their resolution. Such procedures can be effective. However, it should also be recognized that some hard choices may have to be made during policy implementation, and given the wide range of aquaculture and non-aquaculture sector holders who can be operating in the same area; it can be difficult to satisfy everyone’s needs and aspirations.

Supportive legislation

30. Legislation embraces all instruments having the force of law, such as Acts, Regulations, Decrees, Orders and local by-laws. The importance of legislation is underlined in the FAO Code of Conduct for Responsible Fisheries (CCRF), which contains many articles referring to compliance of international legislation, support for sustainable fisheries management, port state duties, coastal area management, and fish trade¹⁶. Article 9.1.1 of the CCRF in particular indicates that “States should establish, maintain and develop an appropriate legal and administrative framework which facilitates the development of responsible aquaculture”.

31. There is often debate about whether policy informs and determines legislation, or vice-versa; it is often a little of both, and policy and legislation are closely linked in their support for each other. Certainly legislation provides the legal framework to support policy through the details specified in such instruments, and through powers relating to enforcement and sanctions for those infringing the law. Changes to established policy may require associated legislative change. The implementation of new policy direction is very likely to require an assessment of the extent to which current legislation needs to be modified to support the successful implementation of the policy. Key components which generally can be found in aquaculture supportive legislative frameworks relate to property rights, access to clean water sources, avoidance of unnecessary costs and a permit or licence system for aquaculture operations. However, legislation applicable to related sectors (e.g. finance, environment) may not adequately cater for or protect the needs of aquaculture producers and may require amendments to support the implementation of aquaculture development policies. Legislation is often not neutral in its impact on different socio-economic

¹⁶ Article 2a, 2c, 3.2.b, 3.2.c, 6.13, 7.1.1, 7.6.6, 7.7.1, 8.3.1, 9.1.1, 10.1.1, 10.1.3, 10.2.5, 11.3.

groups. It should be recognized that it has the potential to marginalize and create conflict, as well as to provide a framework for implementing policy and managing conflict issues.

ROLE OF FAO AND OTHER STAKEHOLDERS IN MEETING THESE CHALLENGES

32. Support in the formulation process of national level aquaculture sector planning documents (policies, strategies and plans) is part of the normative work of FAO's Fisheries Department. The number of requests for technical advice and assistance in the formulation processes of aquaculture sector planning documents is increasing. A variety of such requests has been addressed in recent years through FAO's Technical Cooperation Programme and FI's FishCode Programme, as funding under the Regular Programme of the Department is limited.

33. Recently the Fisheries Department addressed aquaculture planning and policy development related requests as well as development of aquaculture strategies in many countries: (e.g. Angola, Brazil, Cameroon, Indonesia, Georgia, Latvia, Mozambique, Pakistan, Vietnam, Zambia) and more activities are planned in several others (see COFI/AQ/III/2006/2 and COFI/AQ/III/2006/3).

34. These efforts complement other ongoing collaborative efforts within the FI related to the collection of aquaculture information relevant for planning processes. Examples of such efforts include the Delphi study, the National Aquaculture Sector Overviews, and the National Aquaculture Legislation Overviews. The main regional and international partners of FAO in these activities are the Network of Aquaculture Centres in Asia Pacific (NACA), the General Fisheries Commission of the Mediterranean (GFCM), the European Inland Fisheries and Aquaculture Advisory Commission (EIFAC), the Network of Aquaculture Centres in Eastern Europe (NACEE), the World Bank, the World Wildlife Fund for Nature (WWF) and the International Union for Conservation of Nature (IUCN) (see COFI/AQ/III/2006/2 and COFI/AQ/III/2006/3).

FOLLOW-UP AND ADVICE FROM THE SUB-COMMITTEE

35. Despite the efforts of a number of governments, FAO and other stakeholders, many of the above listed problems still persist and additional measures are necessary to help countries overcome the planning challenges they face.

36. The Fisheries Department will continue to provide technical support in aquaculture planning and policy development to member countries upon their request, however, as usual such business is just one of the options. Governments, as main stakeholders in aquaculture planning processes, may wish to increase their efforts to create awareness and build capacities at the national level and to carry out proper planning processes. The organisation and facilitation of workshops within countries and/or regions to build capacity and to mainstream aquaculture planning could be realized with sufficient extra-budgetary support. The organisation of an Expert consultation on Improving Planning and Policy Development in Aquaculture can be instrumental as a suitable forum to further thinking on best practices in aquaculture planning, challenges encountered in policy implementation and to enhance the sharing of experiences with regards to suitable approaches to aquaculture policy formulation.

37. Based on these suggested follow-up actions, the sub-Committee is invited to:

- comment on the activities undertaken by the FAO Fisheries Department in recent years in the provision of advice to members on aquaculture planning and development of national aquaculture strategies;
- report on future plans for improving planning, policy, and national aquaculture strategy development in the member countries;
- advise on opportunities for the member countries to collaborate with FAO during the next intersessional period on improving aquaculture policies, planning and strategy development; and

- express interest in providing extra-budgetary funding to FAO's Fisheries Department in support of the organization of workshops aiming to build capacity in planning, and of an Expert Consultation on Improving Planning and Policy Development in Aquaculture.