FINANCING SUSTAINABLE FISHERIES IN DEVELOPING COUNTRIES

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Seoul, Korea
May 5 – 8, 2009
Table of Contents

The Sea: A Huge Food Source
World Statistics
South East Asia Statistics

The Fisheries Production Industry
Major Economic Contributions
Problems of the Fisheries Sector
Distribution of Fish Catch
Level of Exploitation of Fisheries Resources
Critical Actions Needed to Restore Sustainable Fisheries

Funding the Fisheries sector
Problems of the Fishery Sector
Funding For Fisheries Programs

Measures for Sustainable Fisheries
“Must Do” Programs
Bantay Dagat (Sea Watch)
More Fish
CFRM Timelines

Lessons Learned
THE SEA: A HUGE FOOD SOURCE

- WORLD STATISTICS
  - Food from the sea provides about 10% of required protein of the world population
  - Over one billion people (1/16 of world population) depend on fisheries/marine products as primary source of animal protein
  - Fisheries and related industries provide livelihood to some 400 million people
SOUTH EAST ASIA STATISTICS

- 5 million people full time fisheries folks
- Philippines: about 2 million people principally dependent on fishing as livelihood
Historically, fish caught for domestic consumption

Today, 35 – 40% of global harvest traded internationally, accounting for US $55 billion in international trade (FAO, 2004)
### THE FISHERIES PRODUCTION INDUSTRY (2002)

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aquaculture</td>
<td>39%</td>
</tr>
<tr>
<td>Commercial marine fisheries</td>
<td>31%</td>
</tr>
<tr>
<td>Municipal marine fisheries</td>
<td>20%</td>
</tr>
<tr>
<td>Municipal inland fisheries</td>
<td>4%</td>
</tr>
<tr>
<td>Others</td>
<td>6%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Major Economic Contributions

- primarily livelihood of some 2 million Filipinos
- accounts for over 50% of animal protein consumed
- growth of fisheries products exports (more than 3x in the last 5 years)
- growth of fish processing industry (more than 5 times in the last 10 years)
Under existing law, local governments (municipalities and cities) mandated to conserve, protect and manage municipal waters (0 – 15 kms from the shoreline).

Of over 1500 municipalities, about 130 municipalities fully dependent on municipal fishing, another 216 are partially dependent.
Problems of the Fisheries Sector

- depleted fisheries resources
- declining catch rates that are symptomatic of overharvesting or overfishing
- degradation of the coastal environment and critical fisheries habitats
- increased conflicts among resource users
- deepening poverty among small-scale/artisanal fishers
- inadequate distribution of benefits from resource use
- loss and/or reduced value of catches due to improper post-harvest practices
- inadequate systems and structures for fisheries management
## Distribution of Fish Catch Between Municipal and Commercial Fisheries (Philippines, 2008)

<table>
<thead>
<tr>
<th></th>
<th>Municipal</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Percent of catch</strong></td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td><strong>Number of fishers</strong></td>
<td>1.8 million</td>
<td>7,300</td>
</tr>
<tr>
<td><strong>Number of boats</strong></td>
<td>810,000</td>
<td>10,800</td>
</tr>
<tr>
<td><strong>Access rights</strong></td>
<td>12%</td>
<td>88%</td>
</tr>
<tr>
<td></td>
<td>(0-10 kms from shoreline)</td>
<td>(beyond municipal waters, subject to law)</td>
</tr>
<tr>
<td>Level of Exploitation of Fisheries Resources (2000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Moderately exploited</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Fully exploited</td>
<td>49%</td>
<td></td>
</tr>
<tr>
<td>Overexploited</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Depleted</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>
Critical Actions Needed to Restore Sustainable Fisheries

- Stop illegal and destructive fishing practice
- Reduce fishing effort to sustainable levels
- Protect and manage coastal habitats
- Reduce post harvest losses
- Provide alternative livelihood
- Strengthen capacity for management
FUNDING THE FISHERIES SECTOR
**Primary Source of Funding**

**National Government**
- Bureau of Fisheries and Aquatic Resources
- Agriculture and Fisheries and Modernization Act
- Grants from Official Development Assistance

**Local Government**
- Fisheries Council

**Private Sector**
- Research and development expenditures
Problems of the Fishery Sector Arise Due to:

- Poor Enforcement of Laws
- Inadequate Funding
- Lack of Political Will to Enforce

- Inadequate local resources
- Improper prioritization
- Low level of representation of the small fisherfolk

- Lobby of commercial fishing
- Rent-seeking behavior
## Funding for Fisheries Programs

*(in Million Pesos)*

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Peso</td>
<td>%</td>
<td>Peso</td>
<td>%</td>
<td>Peso</td>
<td>%</td>
</tr>
<tr>
<td>National Budget (excludes debt financing)</td>
<td>593,085</td>
<td>100</td>
<td>584,598</td>
<td>100</td>
<td>646,040</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>705,029</td>
<td>100</td>
<td>877,959</td>
<td>100</td>
<td>944,853</td>
<td>100</td>
</tr>
<tr>
<td>Agriculture Sector Budget</td>
<td>32,932</td>
<td>5.6</td>
<td>25,261</td>
<td>4.3</td>
<td>39,782</td>
<td>6.2</td>
</tr>
<tr>
<td></td>
<td>27,514</td>
<td>3.9</td>
<td>60,042</td>
<td>6.8</td>
<td>430,266</td>
<td>6.1</td>
</tr>
<tr>
<td>Fisheries Sector Budget</td>
<td>14,979</td>
<td>2.5</td>
<td>19,099</td>
<td>3.3</td>
<td>18,436</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td>21,760</td>
<td>3.1</td>
<td>28,470</td>
<td>3.2</td>
<td>30,512</td>
<td>3.2</td>
</tr>
</tbody>
</table>
Funding for Fisheries Programs
(as % of National Budget)

Year

Amount (in Million Pesos)

0 200000 400000 600000 800000 1000000 1200000

2003 2004 2005 2006 2007 2008 2009

National Budget (excludes debt financing)
Agriculture Sector Budget
Fisheries Sector Budget
“MUST DO” Programs: International Level

- Enforcement of international covenants
  - ASEAN
  - SEAFDEC
  - ICLOS
- International CSO cooperation
- “International Fish Day”
- Promotion of fish-based nutrition, especially in developing countries
- Put Fisheries in the development agenda of major donors
“MUST DO’ Programs to Save Fisheries, Particularly Municipal Fisheries

- Increase funding for enforcement of laws to at least 3 times the present level immediately
- “Bantay Dagat (Sea Watch)” Advocacy intensified with civil society participation
- MUNICIPAL FISHING ➔ GOOD LOCAL POLITICS
- Matching grants to local governments for municipal fishing projects
BANTAY DAGAT (Sea Watch)

- A national advocacy program with active participation of civil society objectives
- Main objectives: Coordinated efforts at enforcing laws on municipal and commercial fishing at the local level
- Started in the late 1980's initially piloted in some 10 municipalities with moderate success (i.e., stoppage of illegal fishing activities)
- Reinvigorated in 2002 with the passage of the FISHERIES CODE
- Included in the “Economic Stimulus Fund” of 2009
MORE FISH
(MOvement for REsponsible FISHeries)

- Advocacy campaign of the League of Municipalities of the Philippines to promote sustainable coastal and inland fisheries
- Build a broad constituency of local leaders (Town Mayors) dedicated to the objectives of integrated coastal and fisheries resource management (ICFRM)
CFRM Timelines

1997

- Signed a MOA with the USAID-DENR Coastal Resource Management Project
- Launched the Legal and Jurisdictional Guidebook with CRMP-DENR-USAID
- Conducted baseline survey on CRM budgets

1998

- Started its advocacy campaign to make CRM as a basic service of the local government units with DENR and DILG-BLGD
- Launched the Search for the Best CRM Award with the CRMP-DENR-USAID, DOST, Japanese Embassy, PASAR and others
CFRM Timelines . . . cont’d

1999
- Convened the Conference of Coastal Municipalities with the CRMP-DENR-USAID

2000
- Campaigned for the delineation of municipal waters using the Archipelagic Principle

2001
- Conducted delineation and delimitation of municipal waters under DENR AO-17 (DAO17) with the DENR-NAMRIA

2002
- Launched the eight-part Philippine Coastal Management Guidebook Series with the CRMP-DENR and DA
CFRM Timelines . . . cont’d

2003
- Launched the movement for DAO17 (M17) with the NGOs for Fisheries Reform and other academic institutions

2004
- Advocated with the NAPC-Fisherfolk Sector for the devolution of the registration of municipal fishing boats 3GT and below to municipal and city government unit

2005
- Developed the IRR of Executive Order 305 with the NAPC-Fisherfolk Sector, FISH Project-USAID
CFRM Timelines . . . cont’d

2006
- Convened the inter-agency working group to monitor implementation of EO 305

2007
- Signed a MOA with the Fisheries Improved for Sustainable Harvest Project

2008
- MOREFISH Strategic Planning Workshop, Bolinao, Pangasinan
- LMP Planning Meeting, Cebu City
LESSONS LEARNED

- Local leadership is key to promoting fish conservation and productivity programs.
- National level support towards enforcement, R & D, and nutritional promotion.
- Civil society participation strengthens ground-level appreciation of issues ⇒ greater reach.
- Sustainable and predictable funding is a major factor ⇒ in times of calamities, technology assistance, protection from illegal fishing.
- International advocacy ⇒ a big boost to productivity.
Thank You