

Republic of Kenya



**MINISTRY OF AGRICULTURE, LIVESTOCK & FISHERIES
STATE DEPARTMENT OF FISHERIES AND BLUE ECONOMY**

**KENYA MARINE FISHERIES AND SOCIO-ECONOMIC
DEVELOPMENT PROJECT (KEMFSED)**

**TERMS OF REFERENCE
FOR AN INDIVIDUAL CONSULTANT**

**TO UNDERTAKE A REVIEW OF THE STATE OF STOCKS
OF PRIORITY FISHERIES IN KENYA**

December 2017

1 Background

1.1. Commitment to Blue Economy

On May 2, 2016, in the Executive Order No. 1/2016, the Government of Kenya made a clear commitment towards a new approach, the blue economy, and taking into cognizance the importance of the sector to fuel the country's economic growth, created the State Department for Fisheries and the Blue Economy. The coastal and marine space on which a blue economy is potentially founded contains a myriad of different uses, some currently destructive or unsustainable, while others are renewable, some mutually exclusive and others compatible. More broadly, a blue economy approach is understood as encompassing a better integrated approach to these sometimes-conflicting uses of marine resources, living and non-living (including shipping, fossil energy and mining), and renewable or exhaustive. Too often, priority tends to be given to activities that generate short-term benefits but also have destructive and counter-productive longer-term consequences. In contrast, a blue economy approach is more proactive and embodies the need to focus on longer term sustainability.

The Presidential Blue Economy Committee established in September 2016, while recognizing the many sectors in blue economy prioritized fisheries and aquaculture; and maritime shipping and logistic services as priority sectors that would deliver fast socio-economic benefits to the communities in the coastal areas. To strengthen fisheries governance for sustainable utilization and enhanced revenues for the government and employment creation, the government enacted the Fisheries Management and Development Act 2016 in September, 2016. The Act established institutions that would strengthen the governance of the fishing industry and aquaculture, and enable investments along the fishery value chains for socio-economic benefits. The institutions established include the Kenya Fisheries Service, Kenya Fish Marketing Authority and the Fish Levy Trust Fund.

1.2. KEMFSED project

To attain economic benefits from the coastal and marine resources, the Government of Kenya (GoK) through the State Department for Fisheries and the Blue Economy (SDF&BE) has requested the World Bank to support the proposed Kenya Marine Fisheries and Socio-Economic Development Project (KEMFSED). The Government of Kenya has received Project Preparation Advance from the World Bank towards the Kenya Marine Fisheries and Socioeconomic Development Project (KEMFSED). The KEMFSED project covers a period of 5 years. The development project overall goal of KEMFSED is to enhance economic benefits and coastal livelihoods from marine fisheries and coastal aquaculture while safeguarding associated ecosystems' integrity. The implementing agency will be the State Department for Fisheries & the Blue Economy (SDF-BE) on behalf of the Government of Kenya. In Kenya, 5 counties along the Coast have been selected to be beneficiaries for the project namely Kwale, Mombasa, Kilifi, Tana River and Lamu.

The KEMFSED project comprises of the following four components:

Component 1: Governance and management of marine fisheries and aquatic resources which aims to strengthen marine fisheries and coastal aquaculture governance to control over-fishing, maintain or improve stock productivity and enhance associated ecosystem integrity.

Sub-component 1.1 will focus on coordination and institutional strengthening to ensure fisheries and aquaculture resources are safeguarded in the context of implementing the blue economy framework. Sub-component 1.2 will be on strengthening existing Fisheries Information System (FIS) to ensure availability of integrated sectoral information to communicate the importance of fisheries and aquaculture sector in broader coastal developments. Sub-component 1.3 will aim at improving management of inshore/small scale fisheries. Sub-component 1.4 will aim at improving management of offshore fisheries.

Component 2: Promote efficient utilization and value-addition of resources by increasing investment in the marine fisheries and aquaculture sector.

Sub-component 2.1 will focus on incentivizing sustainable private sector investment in the fishery and aquaculture sector whereas sub-component 2.2 will focus on modernizing public infrastructure to enable value addition.

Component 3: Strengthening Marine Fisheries and Aquaculture-based Livelihoods for Coastal Communities which aims to enhance social and economic benefits that coastal communities derive from sustainable use of marine living resources.

Sub-component 3.1 will be on strengthening capacity of coastal communities on entrepreneurial and organizational skills and sub-component 3.2 will aim at enhancing access to finance and grant support.

Component 4: This will be on project management which covers establishment and operationalization of a project secretariat, fiduciary, environmental and social safeguards, and monitoring and evaluation.

The project is implemented by the State Department of Fisheries and Blue Economy of the Government of Kenya (GoK).

1.3. Fisheries sector context

In Kenya, fisheries are mainly composed of freshwater (lakes, rivers and dams), coastal and marine (Indian Ocean) and aquaculture. The fisheries sub-sector is an important economic activity that generates a variety of benefits. The benefits include nutrition, food security, employment and trade development including exports and foreign currency. The sub-sector also contributes about 0.5% to the country's Gross Domestic Product (GDP) and towards conservation of fisheries resources. The sub sector is categorized into capture and aquaculture fisheries. The freshwater resources in Kenya include; lakes, dams and rivers. Further to these freshwater resources, Kenya enjoys a vast coastline of approximately 640 Km on the Western Indian Ocean and 200 nautical miles of Exclusive Economic Zone (EEZ) under its jurisdiction (12 nm) and sovereign rights. The Country's Exclusive Economic Zone (EEZ) of 230,000 Km² creates a huge opportunity for investors.

During the implementation of a previous IDA and GEF funded project, the Kenya Coastal Development Project (KCDP), numerous infrastructure-related activities were undertaken, including; (i) construction of an MCS center for the State Department of Fisheries in Mombasa;

(ii) extension of KMFRI HQ office buildings in Mombasa; and (iii) upgrading of two fishery landing sites in Shimoni and Kibuyuni. However, the Kenyan marine fisheries sector still has further infrastructure needs to fully to develop its potential. The KEMFSED project is taking a different approach to fisheries development, aiming to optimize the benefits generated from available marine fisheries resources through a Blue Economy development approach. This calls for interventions to unlock the potential and foster dynamic, enterprise-led development of the sub-sector. Given global trends and if properly exploited, it is believed the sub-sector could contribute more than 50% of Kenya's fish and fishery products. Kenya wishes to increase the value derived from capture fisheries and increase production from mariculture in a sustainable manner that is cognisant of other users of the sea and other water bodies.

Infrastructure development is costly and can be a wasteful use of scarce financial resources if the rationale and/or business case for its development is not well analysed in advance. Typically, before undertaking infrastructure development, financial and resource-availability feasibility analyses are undertaken to establish the potential, viability and sustainability of each development. In particular, for example, this would be needed if developing dedicated fishing port facilities, or opening up access to new fishing areas along the coast through new access roads, processing facilities and landing sites.

In the ongoing development of the KEMFSED, a Project Preparation Advance (PPA) is provided for activities that support development of the project. These TORs are aimed at a consultancy, specifically to scope the need for, and viability of, proposed new marine fisheries infrastructure.

2 Objective of the Consultancy Assignment

The objective of the consultancy is to provide an overview of the state of marine fisheries stocks exploited in Kenyan waters. Based on the current stock status and likely catch and effort trajectory in the medium term (5-10 years), undertake an assessment of the economic potential (landed value) of key species and or fisheries. The assessment should identify the key priority fisheries and include fishery resources in nearshore coastal waters (territorial seas) and beyond territorial waters to the EEZ.

3 Scope of the Assignment

The consultant is required to conduct and report on the following:

- (i) a desktop review collating the available historical catch and effort information on Kenya marine fisheries including spatial distribution and value of these catches;
- (ii) based on information gathered under (i) above, classify Kenya's marine fisheries into discrete fisheries for further analysis, classified per significant target species or species assemblages, or those associated with specific gear types, providing justification for such classification;
- (iii) a desktop review of the available national and regional information on the state of stocks exploited in Kenya marine waters/EEZ, with attention to the above-identified fisheries;
- (iv) provide a professional opinion on the current state of these stocks based on the information in 1 & 2 above, including any pertinent reference points;

- (v) identify any gaps in the information that might be critical to strengthen the assessments of these stocks;
- (vi) assess and/or profile each above-identified fishery against criteria agreed with the Client, including (but not exclusively):
 - a. reported catches
 - b. estimated effort levels (gear / target species)
 - c. spatial distribution of catches (fishing grounds) and landings by volume
 - d. economic value to coastal livelihoods,
 - e. economic value to national economy,
 - f. likely potential for increasing value from the fishery, either post-harvest or production increase;
 - g. number of coastal community beneficiaries currently/potentially accessing and/or otherwise benefitting from the fishery;
 - h. social significance including gender considerations;
 - i. threats to the fishery (i.e. the extent to which improved management is needed);
 - j. vulnerability/ resilience to climate and development stresses.
- (vii) based on (i-vi) above, facilitate a consultation meeting with the Client and other key experts (researchers, private sector reps) to propose recommendations on which of the above identified fisheries should be prioritized for investment in management and fisheries development interventions under the KEMFSED project. Recommendations should include the associated risks to the stock(s) and investments, if exploitation levels were either increased or declined.

4 Deliverables & Reporting Requirements

The Consultant shall prepare and submit the report in English and presented on A4 sized paper. The duration of this assignment shall be 60 days and the consultant shall be required to deliver the following outputs:

4. 1. An inception report within one week of contract signing. This should outline the proposed methodology and key stakeholders;
4. 2. Hold one or more consultation meetings with the GOK and key fishery stakeholders to canvas opinion on the priority fisheries as required in para 3 (point 4) above and identify perceived needs of the GoK for investments in fishery infrastructure;
4. 3. Provide weekly electronic updates to the project supervisor on progress, meetings, stakeholders met and feedback as needed;
4. 4. After 40 days provide a draft report for review and present the results to the GOK. The report should follow and respond as close as possible in detail to the work scope provided in (3) above. The consultant should however use discretion incorporating descriptions of each identified fishery (with rationale for their selection), any gaps in information, recommendations for strengthening the terms of reference for the infrastructure studies (that follow on from this study), weaknesses in the methods used to determine economic value of fisheries and risks identified etc.
4. 5. Within 60 days, finalize the report to the satisfaction of the client and submit final report.

5 Supervision and working relations

The Consultant will be expected to work closely and in consultation with the KEMFSED Project Preparation Team (PPT) under the direction of the Acting Interim Director General of the KeFS. The Consultant may be requested by the Client to consult with other KEMFSED consultants working on related assignments, in particular on fisheries value chain assessments and infrastructure.

6 Qualifications and experience

The consultant should have the following (minimum):

- (i) A post-graduate degree in fisheries science, natural resources/environmental economics or similar;
- (ii) At least 15 years' overall work experience with at least 10 years' undertaking fisheries stock assessments, particularly in artisanal fisheries;
- (iii) Experience in fisheries economics particularly in the developing world context will be an advantage;
- (iv) Demonstrated experience with regional industrial fisheries in the western Indian Ocean.

7 Payment Schedule

The consultant will be employed under the lump-sum contract and paid as per below schedule:

- i. 10% of the contract will be paid upon submission and acceptance of the inception report;
- ii. 50% of the contract will be paid upon submission and acceptance of the draft report;
- iii. 40% of the contract will be paid upon submission and acceptance of Final Report.