

RECORD OF DISCUSSIONS

ON

**PROJECT FOR THE FORMULATION OF MASTER PLAN FOR
SUSTAINABLE FISHERIES**

IN

REPUBLIC OF MALDIVES

AGREED UPON BETWEEN

MINISTRY OF FISHERIES AND AGRICULTURE

AND

JAPAN INTERNATIONAL COOPERATION AGENCY

Malé, July 24, 2014



Mr. Amada Kiyoshi
Chief Representative
Sri Lanka Office
Japan International Cooperation
Agency



Ms. Zaha Waheed
Minister of State for Fisheries and
Agriculture
Ministry of Fisheries and Agriculture

Witnessed by

Witnessed by



Mr. Tadashi Ikeshiro
Resident Representative
Maldives Office
Japan International Cooperation
Agency



Ms. Aishath Azeema
Joint Secretary
Ministry of Foreign Affairs



Based on the minutes of meetings on the Detailed Planning Survey on "Project for the Formulation of Master Plan for Sustainable Fisheries" (hereinafter referred to as "the Project") signed on 14 May, 2014 between Ministry of Fisheries and Agriculture (hereinafter referred to as "MoFA") and the Japan International Cooperation Agency (hereinafter referred to as "JICA"), JICA held a series of discussions with MoFA and relevant organizations to develop a detailed plan of the Project.

Both parties agreed the details of the Project and the main points discussed as described in the Appendix 1 and the Appendix 2 respectively.

Both parties also agreed that MoFA, the counterpart to JICA, will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of Republic of Maldives.

The Project will be implemented within the framework of the Agreement on Technical Cooperation signed on 16 August, 2010 (hereinafter referred to as "the Agreement") and the Note Verbales to be exchanged between the Government of Japan (hereinafter referred to as "GOJ") and the Government of Maldives (hereinafter referred to as "GOM").

The effectiveness of the record of discussions is subject to the exchange of the Note Verbales.

Appendix 1: Project Description

Appendix 2: Main Points Discussed



PROJECT DESCRIPTION

Both parties confirmed that there is no change in the Project Description agreed on in the minutes of meetings on the Detailed Planning Survey on the Project signed on 14 May, 2014.

I. BACKGROUND

The Republic of Maldives is a small island state located in the center of the Indian Ocean consisting of nearly 1,190 coral islands covering 90,000 sq km and its main industries are tourism and fisheries. Tourism sector has grown rapidly since late 1970s and contributes over 28% to GDP (2010). However, high dependence on the single sector makes the Maldives economy vulnerable to external shocks such as natural disaster and fluctuation of exchange rate and oil price.

The fisheries sector is the second largest contributor after tourism in the Maldivian economy. Although GDP share of fisheries sector have been declining (approximately 2%), fisheries sector is important in terms of creating employment particularly in rural island areas. In addition, fisheries sector is the main source of foreign exchange earnings which contributes up to 97% of the total export. Fish is a staple food in the Maldives and it remains as the main source of protein for the population. The Maldives is the highest fish consuming country in the world (144kg per capita per year).

Fisheries activities in the Maldives are highly dependent on specific fish species. Skipjack tuna is the most important species caught (65-75% of total catch) and Yellowfin tuna is the second most important species (10-17%). However, total fish catch steadily declined since 2005. Especially, catch of skipjack tuna declined rapidly from 138,500t in 2006 to 53,400t in 2012. It is thought that such decline is caused by 1) reduction of fishing efforts due to high fuel price, 2) increased unpredictability of the seasonality of catches and 3) deterioration of fish resources due to illegal fishing by foreign fleet.

GOM requested to GOJ technical cooperation for the development of Master Plan as the Fisheries Sector Development Plan that define necessary actions and road maps toward achieving national development goals.

II. OUTLINE OF THE PROJECT

1. Title of the Project

Project for the Formulation of Master Plan for Sustainable Fisheries

2. Expected Goals which will be attained after the Project Completion

(1) Goal of the Proposed Plan

- The Master Plan formulated by the Project is officially adopted by the



Government of Maldives as the Fisheries Sector Development Plan for achievement of national development goals.

- Relevant fisheries policy/management measures and/or related projects are implemented based on the Master Plan.

(2) Goal which will be attained by utilizing the Proposed Plan

Through implementation of fisheries policy/management measures and/or related projects, which are evolved from the Master Plan, sustainable and efficient use of fisheries resources is further promoted.

3. Outputs

- Master Plan for Fisheries Development which reflects the results of pilot projects is formulated.
- Capacity of counterpart personnel (staff members of Ministry of Fisheries and Agriculture and other organizations) to plan and implement fisheries policy/management measures is enhanced during the course of the Project

4. Activities

[Analysis of current situation, identification of issues, and their prioritization]

- (1) Review existing information (policy/legislative documents, statistical data, research papers, other donors' project documents and others) and identify information gaps
- (2) Conduct supplementary baseline surveys to fill up information gaps
- (3) Organize stakeholder consultations to compile their views and ideas on sector development, issues/difficulties and their priorities.
- (4) Conduct comprehensive analysis of all the information above and identify priority issues by sub-sector (i.e. oceanic fisheries, reef fisheries, post-harvest, fishing community development and aquaculture)

[Drafting of master plans and roadmaps of each sub-sector]

- (1) Organize the sector plan drafting committee and thematic working groups by sub-sector
- (2) List and examine various options of policy instruments/approaches /measures to address the priority issues through discussions at working groups
- (3) Establish result indicators (performance indicators) for each sub-sector
- (4) Draft sub-sector development plans and roadmaps, which come with results framework for monitoring purpose
- (5) Formulate the first draft of Fisheries Sector Master Plan which consolidates sub-sectorial development plans and roadmaps
- (6) Conduct strategic environmental assessment (SEA)

[Validation of selected approaches/policy-instruments/measures through pilot projects]

- (1) Formulate pilot project plans to field-test the effectiveness of selected approaches/policy-instruments/measures
- (2) Conduct an environmental and social considerations survey regarding the selected approaches/policy-instruments measures (if necessary)
- (3) Implement, monitor and evaluate the pilot projects with due participation of

- key stakeholders
- (4) Analyze the results of pilot projects to draw valuable experiences and lessons learnt

[Finalization of Fisheries Sector Master Plan]

- (1) Based on the results of pilot projects, review and revise the draft Fisheries Sector Master plan (at the working group level)
- (2) Consolidate the inputs from each working group and finalize the plan in the Drafting Committee
- (3) Conduct national level consultation to gain consensus among the key stakeholders on draft Fisheries Sector Master Plan
- (4) Promote the approval process of the Fisheries Sector Master Plan by the Government of Maldives
- (5) Disseminate the outputs of the Project to the wider audience

5. Input

(1) Input by JICA

(a) Dispatch of Experts

- Leader/Fisheries and Aquaculture Development
- Fisheries Resource Management
- Fishing Technique
- Aquaculture
- Post-harvesting/Value addition
- Socio-economic Analysis/ Fishery Information
- Environment and Social Consideration
- Coordinator/ Livelihood Improvement

(b) Equipment necessary for the implementation of the Project


(c) Provision of training in Japan/ third countries if necessary

Input other than indicated above will be determined through mutual consultations between JICA and MoFA during the implementation of the Project, as necessary.

(2) Input by MoFA

MoFA will take necessary measures to provide at its own expense:

- (a) Services of MoFA's counterpart personnel and administrative personnel as referred to in II-6;
- (b) Suitable office space with necessary equipment;
- (c) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials necessary for the implementation of the Project other than the equipment provided by JICA;
- (d) Information as well as support in obtaining medical service;
- (e) Credentials or identification cards;
- (f) Available data (including maps and photographs) and information related to the Project; and
- (g) Expenses necessary for operation and maintenance of the equipment referred to in II-5 (1)



6. Implementation Structure

The Project organization chart is given in the Annex 1. The roles and assignments of relevant organizations are as follows:

(1) MoFA

(a) Project Director

Minister of State for Fisheries and Agriculture, MoFA will be responsible for overall administration and implementation of the Project.

(b) Deputy Project Director

Permanent Secretary, MoFA will also be responsible for overall administration and implementation of the Project.

(c) Project Co-Managers

Deputy Director General, MoFA and Director General, MoFA/ Marine Research Center will be responsible for the managerial and technical matters of the Project

(d) Project Coordinator

Senior Project Officer, MoFA will be responsible for administrative issues of the Project

(2) JICA Experts

The JICA experts will give necessary technical guidance, advice and recommendations to MoFA on any matters pertaining to the implementation of the Project.

(3) Joint Coordinating Committee

Joint Coordinating Committee (hereinafter referred to as "JCC") will be established in order to facilitate inter-organizational coordination. JCC will be held whenever deemed necessary. A list of proposed members of JCC is shown in the Annex 2.

(4) Sector Plan Drafting Committee

Sector Plan Drafting Committee will be in charge of compiling the draft Master Plan by consolidating inputs from each working group. It will also ensure that the contents of the document are compatible with relevant laws and regulations in the Maldives. The committee will be chaired by the Project Director. A list of proposed members of Sector Plan Drafting Committee is shown in the Annex 3. In addition, Thematic Working Groups would be organized for information sharing, detailed discussions and planning as per sub-sector.

8. Project Site(s) and Beneficiaries

Master Plan covers the whole country of Maldives.

9. Duration

Three years. Tentative schedule of the Project is shown in Annex 4. The

schedule is subject to change when both parties agreed upon any necessity that will arise during the course of the Project.

10. Reports

JICA will prepare and submit the following reports to MoFA in English.

- (1) Twenty (20) copies of Inception Report at the commencement of the Project
- (2) Twenty (20) copies of Progress Report (1) at the time about thirteen (13) months after the commencement of the Project
- (3) Twenty (20) copies of Progress Report (2) at the time of twenty four (24) months after the commencement of the Project
- (4) Twenty (20) copies of Draft Final Report at the end of the last work period in Republic of Maldives
- (5) Twenty (20) copies of Final Report within one (1) month after the receipt of the comments on the Draft Final Report

11. Environmental and Social Considerations

- (1) MoFA agreed to abide by 'JICA Guidelines for Environmental and Social Considerations (2010)' in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

III. UNDERTAKINGS OF MoFA AND GOM

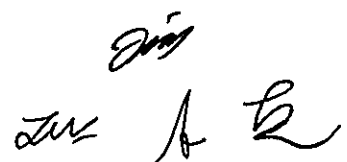
1. MoFA and the GOM will take necessary measures to:

- (1) ensure that the technologies and knowledge acquired by the Republic of Maldives nationals as a result of Japanese technical cooperation contributes to the economic and social development of the Republic of Maldives, and that the knowledge and experience acquired by the personnel of Republic of Maldives from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project,
- (2) grant privileges, exemptions and benefits to the members of JICA experts referred to in II-6 (1) above and their families, which are no less favorable than those granted to experts of third countries performing similar experts in the Republic of Maldives under the Colombo Plan Technical Cooperation Scheme; and,
- (3) provide other privileges, exemptions and benefits in accordance with the Agreement between the GOJ and the GOM.

IV. MONITORING AND EVALUATION

JICA will conduct the following evaluations and surveys to mainly verify sustainability and impact of the Project and draw lessons. The MoFA is required to provide necessary support for them.

1. Ex-post evaluation three (3) years after the project completion, in principle
2. Follow-up surveys on necessity basis



V. PROMOTION OF PUBLIC SUPPORT

For the purpose of promoting support for the Project, MoFA will take appropriate measures to make the Project widely known to the people of Republic of Maldives.

VI. Misconduct

If JICA receives information related to suspected corrupt or fraudulent practices in the implementation of the Project, MoFA and relevant organizations shall provide JICA with such information as JICA may reasonably request, including information related to any concerned official of the government and/or public organizations of Republic of Maldives.

MoFA and relevant organizations shall not, unfairly or unfavorably treat the person and/or company which provided the information related to suspected corrupt or fraudulent practices in the implementation of the Project.

VII. MUTUAL CONSULTATION

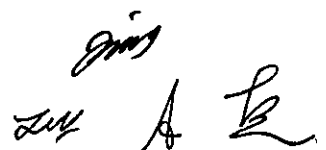
JICA and MoFA will consult each other whenever any major issues arise in the course of Project implementation.

VIII. AMENDMENTS

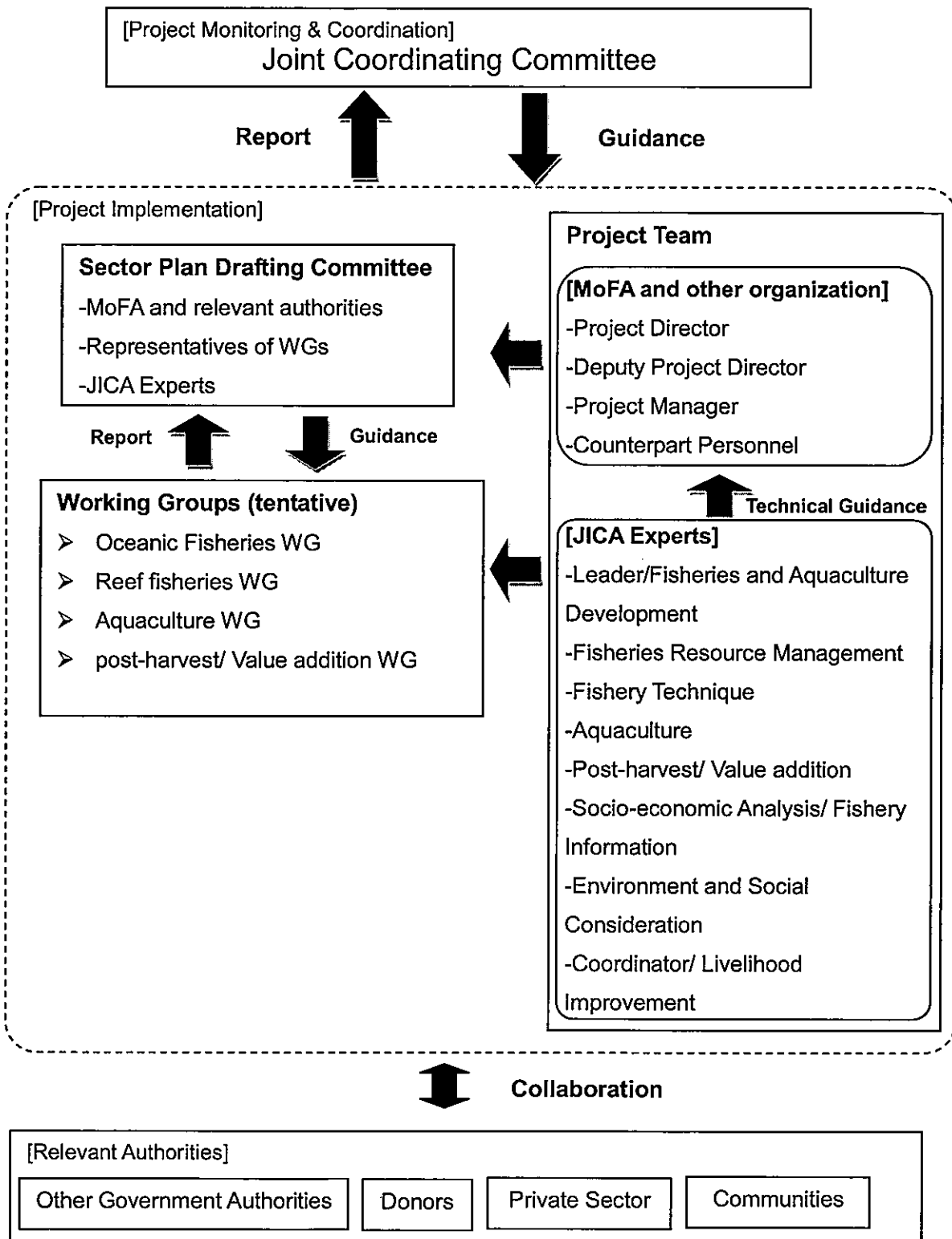
The record of discussions may be amended by the minutes of meetings between JICA and MoFA.

The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the record of discussions.

- Annex 1 Project Organization Chart
- Annex 2 List of Proposed Members of Joint Coordinating Committee
- Annex 3 List of Proposed Members of Sector Plan Drafting Committee
- Annex 4 Tentative schedule of the Project

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Project Organization Chart



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List of the members of Joint Coordinating Committee

1. Chairperson
 - Minister of State for Fisheries and Agriculture, MoFA

2. Maldivian side
 - Permanent Secretary, MoFA
 - Director General, MoFA/ Marine Research Center
 - Deputy Director General, MoFA
 - Directors of relevant Units, MoFA
 - Representatives of relevant Ministries

3. Japanese side
 - JICA experts
 - Representative(s) from JICA Sri Lanka/ Maldives Office
 - Other personnel concerned, to be assigned by JICA, if necessary
 - Official(s) of the Embassy of Japan may attend as observer(s)

4. Other members accepted by the Chairperson, if necessary

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List of the members of Sector Plan Drafting Committee

1. Chairperson

- Minister of State for Fisheries and Agriculture, MoFA

2. Members

- Permanent Secretary, MoFA
- Director General, MoFA/ Marine Research Center
- Deputy Director General, MoFA
- Directors of relevant Units, MoFA
- Staff of Legal Unit, MoFA
- Representatives of relevant Ministries
- Representatives of Thematic Working Groups
- JICA experts

3. Other members accepted by the Chairperson, if necessary

Tentative schedule of the Project

Annex 4

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	
Stakeholder Workshops	■	■																																			
1 Analysis of current situation and issues	■	■	■	■	■	■	■	■	■	■																											
Identification of priority issues								■	■	■																											
Formulation of Sector Plan Drafting Committee and Thematic Working Groups						■	■	■	■	■																											
2 Discussion and Drafting of sub-sector development plans and roadmaps						■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Drafting of Fisheries Sector Master Plan											■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3 Selection of pilot projects among drafted development plans and roadmaps											■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Implementation, monitoring and evaluation of pilot projects																																					
Finalization of Fisheries Sector Master Plan																																					
4 National level consultation among stakeholders																																					
Approval process of Fisheries Sector Master Plan by the Government of Maldives																																					
Reports	▲	▲																																			

IC/R: Inception Report
 PR/R: Progress Report
 D/MP: Draft Master Plan
 DF/R: Draft Final Report
 F/R: Final Report

* Above schedule includes the activities which will be done in Japan.

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MAIN POINTS DISCUSSED

It was agreed that the both sides shall adhere to the following guiding principles in the implementation of the Project.

(1) Building on previous work

There is a considerable accumulation of research/study work in the fisheries sector in Maldives such as the sector outlook study, a baseline study, and a fishery product marketing survey as well as development of management plans for baitfish/grouper fisheries. The project will make due reference to these documents and its activities are to be planned based on the results of these previous works rather than duplicating the past efforts.

In view of the fact that the fisheries sectors in the Maldives and Japan have some characteristics in common, namely 1) Traditional practice of skipjack pole and line fishery and 2) fishing within fragile coral reef ecosystems, the Project shall draw useful lessons and experiences from these fisheries of both countries and consider practical application of the knowledge.

(2) Strengthening management

It is probably because Maldivian fishers traditionally rely mainly on oceanic pelagic fish resources, which are highly resilient and less vulnerable to over-fishing, the importance and necessity of fisheries management has not been fully recognized. However, as a declining trend of catch became evident even with pelagic fisheries, it is advisable that timely installation of management systems be considered as an urgent issue if socio-economic benefits of the fisheries sector are to be sustained. On this basis, all the activities of the Project shall be directed toward strengthening of fisheries management.

(3) Encouraging participation of stakeholders

It is the key to the effective management of fisheries resources that the stakeholders are adequately involved in both planning and implementation process of fisheries management. In the course of formulating the Master Plan, the Project encourages participation of and information sharing with key stakeholders through organization of consultation meetings, workshops and seminars as well as joint implementation of pilot activities.

(4) Promoting informed decision-making

In order to promote informed decision-making in fisheries development and management, the project shall exert efforts to generate/improve the information on, *inter alia*, status and trends of fisheries resources and fishing operations, and socio-economic status of fishing communities. The availability of such information is expected to form a firm basis for sound decision-making.

(5) Sub-sectorial approach

Each sub-sector of fisheries has distinct characteristics and different sets of priority issues. It is hence necessary that the Project employs separate approaches for each sub-sector in order to adequately address specific issues of

the sub-sectors. In this connection, thematic working groups will be organized under the Project so as to promote focused technical discussion on the related matters.

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