

5. ACHIEVING INSTITUTIONAL RELEVANCE AND ORGANIZATIONAL PERFORMANCE

5.1 Redefining public sector governance roles

The key recommendation emanating from this study is the need to enhance human capacity to apposition where it is capable of implementing the MFAR Ten Year Development Policy Framework of the Fisheries and Aquatic Resources Sector 2007-2016.

At the outset this requires MFAR:

- to produce policy documents giving clearer directions for the organisation and its departments, agencies and corporations;
- to introduce program reviews with appropriate sector organisations linked to specific aspects of policy (as per the 10 year objectives), and as encompassed in the Log Frame; and
- to prepare coherent policy documents which clearly define sector objectives and tasks.

At the organisational level the above would require the following:

- to review and reformulate implementation focus to take account of expected results identified in the Ten Year Plan;
- to clarify roles and responsibilities of the HQ leadership through well defined results-based job responsibility statements of senior management positions;
- to introduce a results-based monitoring and evaluation system to ensure achievement of targets;
- to re-vamp human resource management systems and procedures to ensure consistent, coherent and credible practices; and
- to secure external funding for specific areas of resource support in strengthening the implementation and delivery network.

Against these requirements the following changes can be recommended at the individual/HRD level:

- linking job descriptions to organizational results;
- designing training plans for staff/job categories;
- enabling access to professional training ;
- recognition and reward schemes for motivating performance;
- linking performance appraisal to annual work plans; and
- re-designing job responsibilities for promoting team work.

The following section identifies some specific issues in relation to institutional performance in each of the organisations and makes recommendations on how to address these, e.g. through changes on the organisational level and on the level of individual responsibilities but also through revision of action plans and corresponding tasks.

5.1.1 MFAR

1. It is recommended to change MFAR's Mission to the following: *To formulate policy that increases fisheries sector productivity and ensures sustainability of aquatic and coastal resources.*

2. MFAR's existing objectives should be extended to include:

- to provide a framework for sustainable comanagement;
- to promote local and foreign investment in the fishing sector;
- to manage all organisations reporting to MFAR;
- to promote local and foreign investment in the fisheries sector; and
- to coordinate loan facilities for the purchase of capital goods.

3. MFAR organisational chart should incorporate specific divisions which can facilitate achievement of the MFAR Ten Year Development Policy Framework:

- retaining the Planning & Monitoring Division;
- adding an External Relations Division (for liaising with Donors and attending International Meetings) ;
- adding a Fisheries Management Division;
- adding an Environment Division to redress the fisheries bias and assist in the formulation of policy;
- adding a HRD Human Resource and Strategy Division;
- changing Export Division to include marketing and nutrition; and
- changing the Development Division to include both fleet and aquaculture development.

These organisations would be supported through the Director General by the Central Statistical Unit (see Figure 3).

4. Action plans and tasks (based on the Log Frame (Appendix H) should be added to MFAR's existing activities:

BOX 21: Action plans and tasks for MFAR

Division	Tasks
Fisheries Management	<ol style="list-style-type: none"> 1. MFAR in consultation with stakeholders, to prepare a policy document on fisheries. 2. Analyse, consult and design fishery management systems applied to Sri Lankan fisheries in consultation with DFRA/NARA and fishery sector. 3. Coordination, facilitation, monitoring and supervision of the functioning of the agencies and institutions to support management systems. 4. Provide advice to the Minister responsible for fisheries and coastal resources under <i>Fisheries and Aquatic Resources Act No.2 of 1996 and Amendment No.4 of 2004</i>. 5. Provide policy support to CCD in the development of CZMP.
Development Division	<ol style="list-style-type: none"> 1. MFAR to prepare a policy document which outlines the principal strategies that will support the development of the tuna long line sector, including fishery management plan, investment incentives, key product promotion activities, training needs and principal public sector / private sector participants. 2. Liaise with the Ministry of Finance and the Central Bank of Sri Lanka on refinancing packages for the development of the commercial fishery sector. 3. Liaise with Treasury and BOI on tax incentives to support access to cheaper inputs (squid bait, equipment etc.). 4. Support the promotion of credit availability through banks. 5. Support the introduction of new technology for the exploitation of fishery resources in national and international waters. 6. Coordinate loan facilities for the purchase of capital goods. 7. Liaise with donors on the possibility of supported specific re financing packages through Bank of Sri Lanka to fishing vessel improvements.

	<ol style="list-style-type: none"> 8. Liaise with Donors on the possibility for support an upgrade and deepening of two harbours. 9. Work with Donor Agencies to support the establishment of pilot vessels to target the high seas tuna fishery. 10. Policy on the use of a CRC in fisheries development. 11. MFAR in cooperation with NAQDA, to prepare a policy document which outlines the principal strategies that will support the development of the aquaculture sector, investment incentives, key product promotion activities, training needs and principal public sector / private sector participants. 12. Liaise with the Ministry and Central Bank of Sri Lanka on refinancing packages for the development of the aquaculture sector. 13. Liaise with Treasury and BOI on tax incentives to support access to cheaper inputs (equipment and commercial feeds). 14. Support the promotion of credit availability through banks. 15. Liaise with Donors on the possibility of supported specific re financing packages through Bank of Sri Lanka to support fish farm development, including through existing agricultural loan schemes. 16. Liaise with Donors on support for small scale aquaculture development.
Export, marketing & nutrition	<ol style="list-style-type: none"> 1. MFAR in cooperation with DFAR, Department of Animal Production & Health, CFHC and the private sector, to prepare a policy document which outlines the principal strategies on food safety and quality. 2. MFAR in cooperation with private sector stakeholders, CFC, and Food Technology Research Organisations to prepare a policy document including identification of roles and responsibilities, for the promotion of consumer demand in Sri Lanka. 3. MFAR in consultation with Sea Food Exporters Association, NARA and DFAR to review the costs and benefits of tuna certification. 4. Liaise with Treasury and BOI on tax incentives to support access to cheaper inputs (equipment etc). 5. Coordination of the development of the New Central Fish Market at Peliyagoda.

5. Cadres should be extended to comprise:

- a lawyer (responsible for drafting legislation and advising the Secretary, reporting through the Director General);
- an economist, in the Development Division;
- a biologist in Fisheries Management Division;
- an environmental specialist to support the Environmental division⁶⁵;
- an IT specialist in the Central Statistics Unit (CSU);
- a training officer in Human Resources Division (HRD); and
- a personnel officer in HRD.

6. It is recommended that the Fisheries Social Development Division will be removed from MFAR and placed within DFAR because of the need for improved coordination through the DFAR's AD offices.

7. Each Division should prepare a coherent policy document, in consultation with relevant stakeholders⁶⁵, including the private sector, to facilitate the achievement of the expected results as specified in the Log Frame. A policy document should be prepared for fleet and aquaculture development, fisheries management, marketing and nutrition. The policy document will clearly outline the roles of each organisation in supporting the achievement of these goals

8. Each Division should coordinate stakeholder meetings on an ad hoc basis in order to identify specific policy bottlenecks.

⁶⁵ The SWOT analysis suggests that it is not appropriate to invite all industry organisations to specific subject meetings. The Log Frame identifies the relevant participating organisations.

9. All Divisional Staff should be provided with training to better suite their specific duties. This will be provided by one or more specialists. Following the findings of this study, particular attention shall to be paid to the following topics:

- Planning & monitoring;
- Policy development in fisheries management;
- Food labelling and certification; and
- Investment opportunities (incentives and access to financial packages).

10. MFAR should identify and develop a senior management group from which to draw a future Fisheries Secretary. The group will comprise the senior Cadre of MFAR and its institutions in order to facilitate the transfer of responsibilities and knowledge with relative ease.

11. The Planning Division should coordinate quarterly reporting on financial expenditure and achievement of OVI's. These activities should be supported by the auditors within each department, agency and corporation.

12. MoUs to be developed between MFAR and the following institutions to support DFAR & CCD's compliance functions:

- The armed forces to support enforcement at sea (marine fisheries compliance);
- The coastguard (coastal zone activities inside two miles and marine fisheries compliance);
- The Marine Police (coastal zone compliance);
- Marine Pollution Prevention Authority (coastal zone compliance);
- Ministry of Health to support health inspections at coastal and municipal markets (food safety compliance); and
- Department of Animal Production & Health in supporting the implementation of controls on drugs and feed imports (compliance in testing drugs and feed).

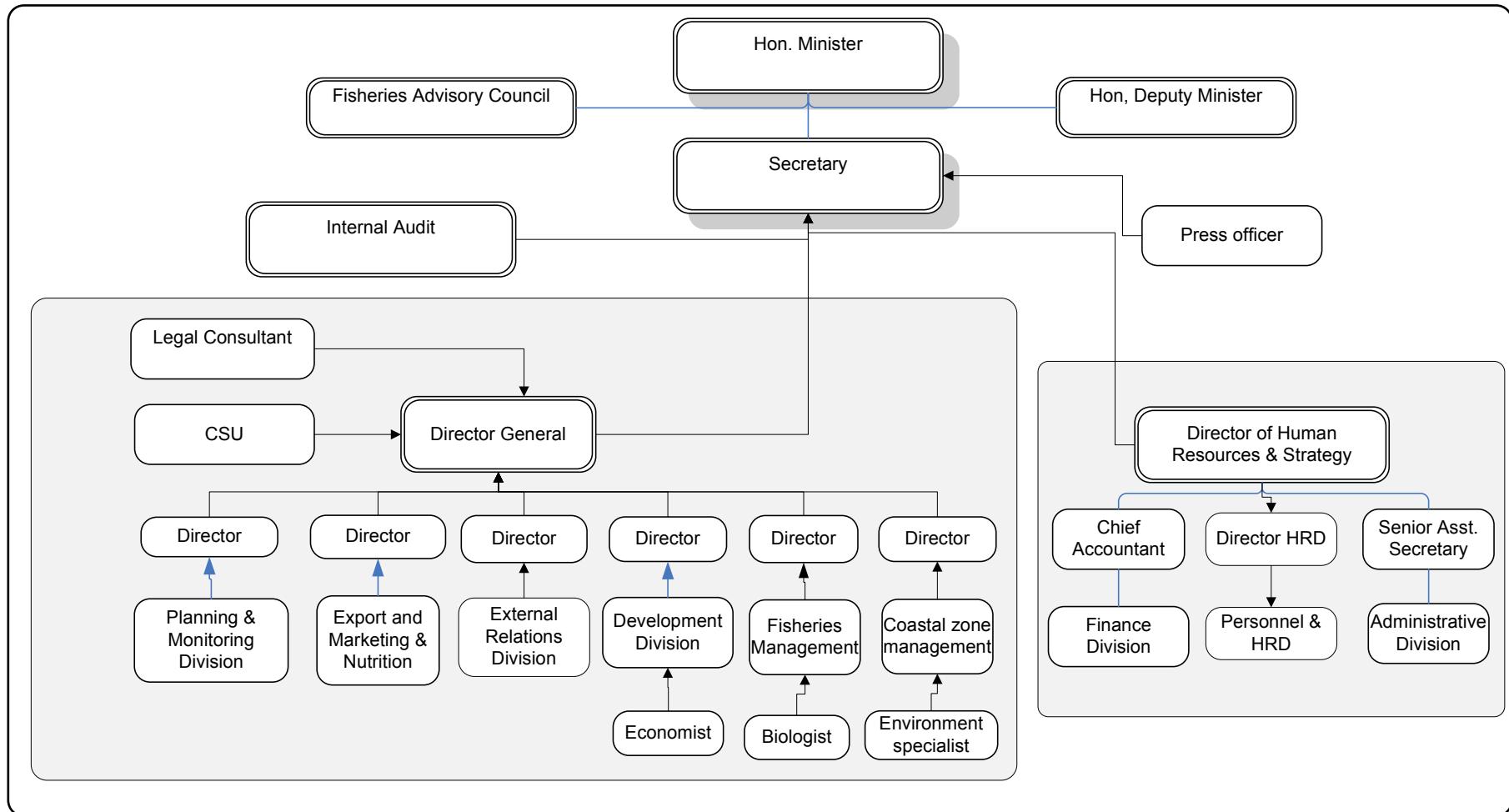
13. The Planning Division should hold annual meetings to review the progress of the Log Frame, providing the basis for updating the annual Action Plan.

14. MFAR/Department of Planning to identify the strategic importance of a valuable research organisation and to redress the imbalance between national as opposed to donor funding in order to adapt routine research priorities.

15. MFAR should prepare of job specifications for all officers in Senior and Junior positions.

16. Recurrent funds would have to make provision for specialist training expenditure.

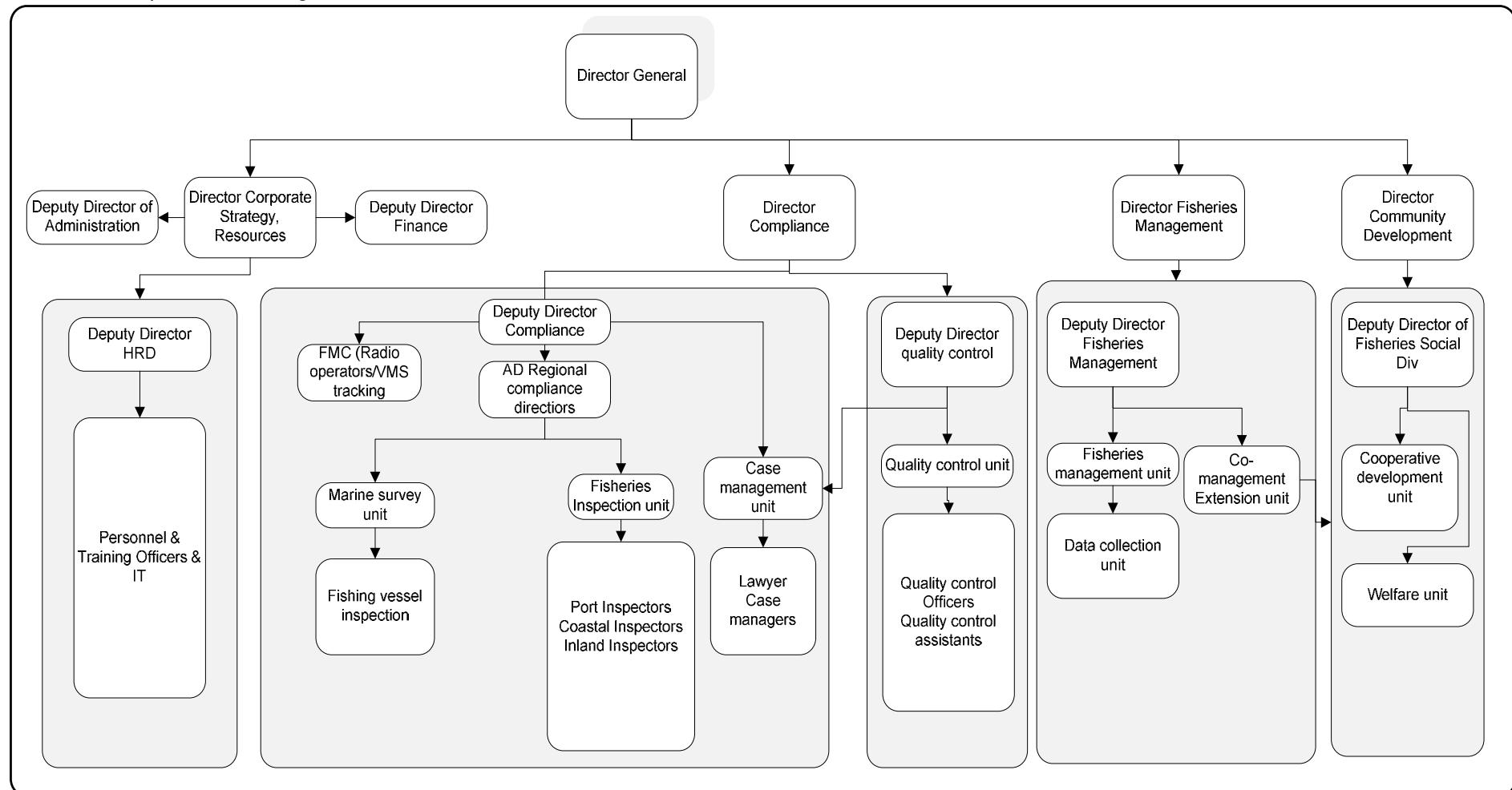
FIGURE 3: Proposed MFAR organisation chart



5.1.2 DFAR

1. DFAR's Mission should be changed to the following: *To carry out the implementation of national fisheries policy using sound fisheries management practices, quality assurance and support to social development.*
2. DFAR's objectives should be extended with a view to include the following tasks and responsibilities:
 - To assist MFAR in the development of policy on fisheries management, food security and social development;
 - to support the development of fisheries co-management;
 - to support the development of fishery management and development plans; and
 - to implement fisheries management and compliance systems.
3. The following objectives and tasks should be deleted or reassigned:
 - to promote local and foreign investment in the fishing sector (a function of MFAR);
 - to introduce new technology for the exploitation of fishery resources in national and international waters (a function of NARA); and
 - to coordinate loan facilities for the purchase of capital goods (a function of MFAR).
4. DFAR to participate in the preparation of coherent policy documents on fisheries management and fish marketing, under the auspices of MFAR.

FIGURE 4: Proposed DFAR organisation chart



5. The DFAR organisational chart to be changed to reflect the following three core implementation components of Compliance, Management, Community Development (FIGURE 4) and Resources:

- A Corporate Strategy and Resources Head to be created with responsibility for all the support functions of the Organisation: Administration, Finance, IT and Human Resources.
- The Compliance Division in HQ has a coordinating role for fisheries and quality assurance inspectors. The Division will comprise two units (1) Fisheries compliance and (2) Quality assurance. The Fisheries compliance unit will identify inspection targets and coordinate with partner organisations (e.g. Coastguard and Armed forces). Dedicated Inspectors will be trained in Standard Operating Procedures. The present radio officer cadre will be integrated into compliance monitoring through a Fisheries Monitoring Centre. Quality assurance will coordinate its activities with the Ministry of Health. The Division will also have a case management unit that will report to the Deputy Director Compliance and the Quality Control Director.
- Fisheries Management Division in HQ will set the framework for fishery management plans and management controls, and will take responsibility for the development of the management plan for the offshore and high seas fishery, with inputs from the fisheries management unit within the AD office. The Fisheries Management Division will be responsible for data collection unit and supporting participatory fisheries management through a network of dedicated extension officers.
- A Community Development Division will be created incorporating the Fisheries Social Development Unit and Welfare Unit. The Cooperative Unit will continue with its existing activities to empower the FCS, but will also facilitate, probably with the support of donor funding an expansive policy to extend the capacity of these organisations. The central focus will be to increase the level of village grants, develop cooperative clusters and support the empowerment of the NFFC to a state of increased independence from DFAR. The end goal will be for the FSDD's activities to pass to the non government sector (NFFC).
- An HRD Division with a personnel and training officer.

6. The AD office will become the operational entity for applying compliance control within each district unit. Surveillance and enforcement will be managed by each AD, but with targets and application set at HQ for all components (including inspectors and marine surveyors).

7. The locations of each AD's office to be changed to the main fishing harbours where it is better suited to support the compliance activities;

8. The AD's office infrastructure to be considerably strengthened with the provision of IT equipment, intranet linkages to HQ, and additional office and transport facilities. This could be an area for assistance by donors.

9. The following action plans and tasks should be added to DFAR's existing activities:

BOX 22: Action plans and tasks for DFAR

Division	Tasks
Fisheries management	<ol style="list-style-type: none"> Provide technical support to MFAR in the development of fisheries policy; Legislative development, licensing and registration of fishing operations; Implement the fishery management systems in consultation with the fishery sector; Implement statistics and monitoring system for fisheries; Provide extension support for Fisheries Committees and Cooperatives in co-management; and Identify training needs and appropriate institutes to replace existing donor projects.
Compliance: Fishery control	<ol style="list-style-type: none"> Implement a compliance system through the establishment of inspection benchmarks; design of SOPs; log books and designated ports, and support through data base monitoring. Introduce a fisheries monitoring centre (incorporating radio officers). Introduce a case management unit. Undertake fishing vessel inspection activities. Develop MoUs with the Coastguard and armed forces.
Compliance: Quality control	<ol style="list-style-type: none"> Registration of fish processing establishments, monitoring quality of fish exports, imports of aquaculture feed and drugs and issuing export permits. Upgrading the food safety standards for post harvest handling. In conjunction with CFHC, Ministry of Health, regularly monitor the implementation of health standards in Sri Lankan port and wholesale/municipal markets
Social development	<ol style="list-style-type: none"> Facilitate (with DCD) the development of cooperatives via the provision of technical grants and village grants. Guidance and supervision of FCSs to enhance their efficiency including institutional strengthening and business/marketing training to support the formation of commercial clusters. Support the strengthening of NFFC in order to provide the means for longer term sustainability of the FCS structure. Undertake responsibility for social welfare.

10. DFAR should adopt all indicators specified in the Log Frame results and review these annually.

11. New cadres or redefined cadres for the following:

- Four (4) Director positions for Human Resources, Community Development, Compliance, Fisheries Management (an increase of 2);
- Deputy Directors for Administration, Finance, HRD, Compliance, Quality Assurance, Fisheries Management, Cooperative Development and Welfare;
- Fisheries inspectors (Port): 84 port inspectors. This equates to 6 port inspectors per district (14 districts);
- Fishery inspectors (Coastal). 212 fishery inspectors to cover 964 landing sites. This equates to approximately 15 Coastal fishery inspectors per district;
- Fishery inspectors (Inland). 28 or 2 inland inspectors per district;
- Fishery data collectors. 28 data collectors assigned or 2 per district;
- Extension officers (co-management) - provisionally allocated 6 personnel per district, but would expect one extension officer per FMA;
- HQ Extension. To coordinate the extension activities at district level and to provide policy advice (2 officers);
- HQ fisheries management. To be responsible for specific fisheries (offshore and coastal fisheries (beche-de-mer, lobster, chank and ornamental fish) in the first five years; and the coordination of fishery management plans, in consultation with fishery management personnel in the districts (6 officers); and
- Cooperative Development officers (28), 2 per District.

12. Donor funded expertise should be sought to assist in developing systems and training in the following areas:

- fisheries management / policy specialist (12 man months);
- compliance systems (12 man months); and
- cooperative / cluster development (4 man months).

The compliance specialist will be tasked with identifying key MCS investment expenditure which may be supported by donors.

13. Introduce quarterly departmental experience sharing workshops on compliance for inspectors and quality assurance officer.

14. Recurrent funds would have to make provision for specialist training expenditure.

5.1.3 CCD

1. CCD's organisational chart (Figure 5) to differentiate between planners, a compliance unit and an extension unit. Of the cadre of 72, 54 would work as Planning Assistants from the District Offices. The remaining Planning / Development Assistants (18) would be allocated to a dedicated compliance function.

2. The position of Director of Strategy & Corporate Resources should be introduced.

3. Post for the following cadres should be created:

- Director of Corporate Strategy & Resources;
- Deputy Director of HRD;
- SAM extension officer to be created: 9 in year 1 (current SAMs), 14 in year 2 (2 APCs, 3 SAMs/annum), 19 in year 3, 54 by year 10 as extension officers;
- Personnel officer; and
- Training officer.

4. The following action plans and tasks should be added to support CCD's existing activities:

BOX 23: Action plans and tasks for CCD

Division	Tasks
Planning Division	<ol style="list-style-type: none"> 1. Analyse, consult and develop the CZM plan in consultation with CCD and stakeholders. 2. Coordination, facilitation, monitoring and supervision of the functioning of the agencies and institutions to support coastal resource management and protection. 3. Support co management with other stakeholders in the SAM process. 4. Support the development of voluntary code of conducts for SAMs / APCs. 5. Provide advice to the Minister responsible for fisheries and coastal resources under the <i>Fisheries and Aquatic Resources Act No.2 of 1996 and Amendment No.4 of 2004</i>.

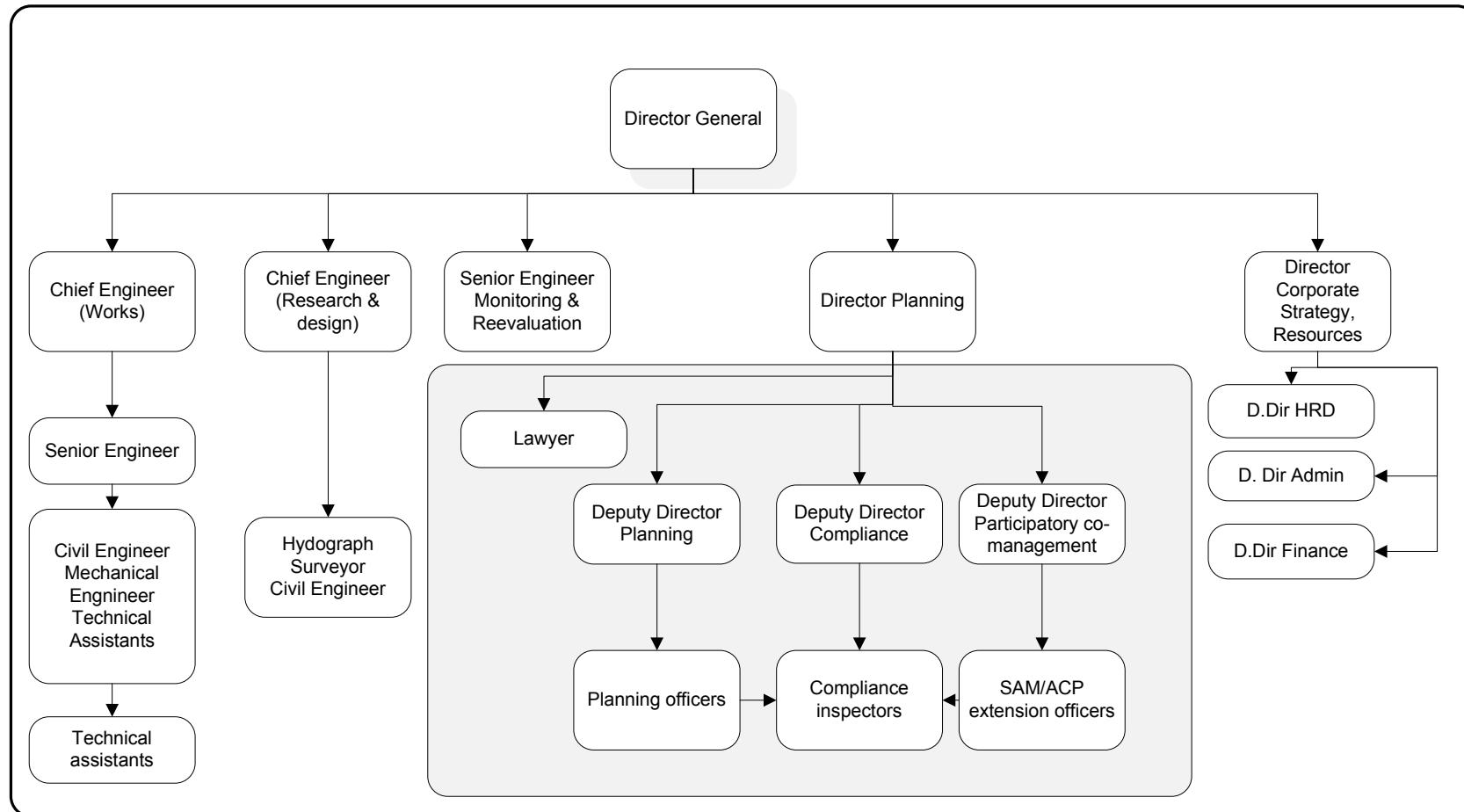
5. Work more closely with NARA's AED on issues for better coast conservation planning and implementation.

6. CCD to adopt all indicators specified in the Log Frame results and review these annually.

7. CCD and MFAR to develop draft MoUs on planning conflicts and compliance issues with District Offices (Planning), Police and MPPA (Compliance).

8. Introduce quarterly departmental experience sharing workshops on planning and compliance
9. Recurrent funds would have to make provision for specialist training expenditure for planning procedures, environmental monitoring and compliance.
10. Donors canvassed with CCD/MFAR policy document identifying areas for support.

FIGURE 5: Proposed CCD organisation chart



5.1.4 Cooperative research centre (CRC)

1. It is recommended that MFAR will set up a Cooperative Research Centre (Appendix J) similar to REEF CRC and Seafood CRC in Australia to integrate the collective functions of NARA, NAQDA, NIFNE, private sector stakeholders and other Government (ITI) and non government organisations including the academic sector. The experience from the CRC models of Australia is that a coordinated and targeted research under an integrated entity established at NARA can lead to better outputs and outcomes for the development of the Sri Lanka fisheries sector. As the Sri Lanka fisheries sector is different from that of Australia it is necessary to modify these models to suit to expectations of the MFAR Ten Year Development Policy Framework and the potential resources available.

2. NARA's Aquatic Division, NAQDA, NIFNE and other related organisations (ITI) to establish a Cooperative Research Centre in partnership with the private sector, banks and donors to undertake combined research, development and extension program for fisheries development in areas such as:

- testing the viability of new freshwater, brackish water and marine farming systems
- promoting diversification into polyculture crop rotation systems
- promoting an organic shrimp product from extensive systems
- training in new techniques for aquaculture & mariculture
- evaluating prospects for introducing other species (in cooperation with the private sector)
- developing breeding technology and nutrition for new species
- identifying test sites for inland aquaculture
- developing ornamental fish breeding, tissue culture and live rocks
- preparing a manual for long liner gear specifications and fish handling
- identifying and evaluate the commercial fishing potential in new fisheries
- developing input / output models to support business development in new aquaculture
- supporting the creation of real time information data base on tuna migrations
- product development
- setting operational procedures for fish handling standards on board multi day & costal vessels

3. CRC work to allow the contracting of personnel outside the organisation to undertake key research, development and extension activities

4. Donors to be actively canvassed to support the specific initiatives undertaken through CRC. The benefits of a CRC is that research will be coordinated with agreed programmes that all research agencies commit to and do not compete with each other for the resources. The fisheries sector has a major say in the research programmes and therefore improves the likelihood that the research outcomes lead to the achievement of agreed development objectives.

5.1.5 NARA

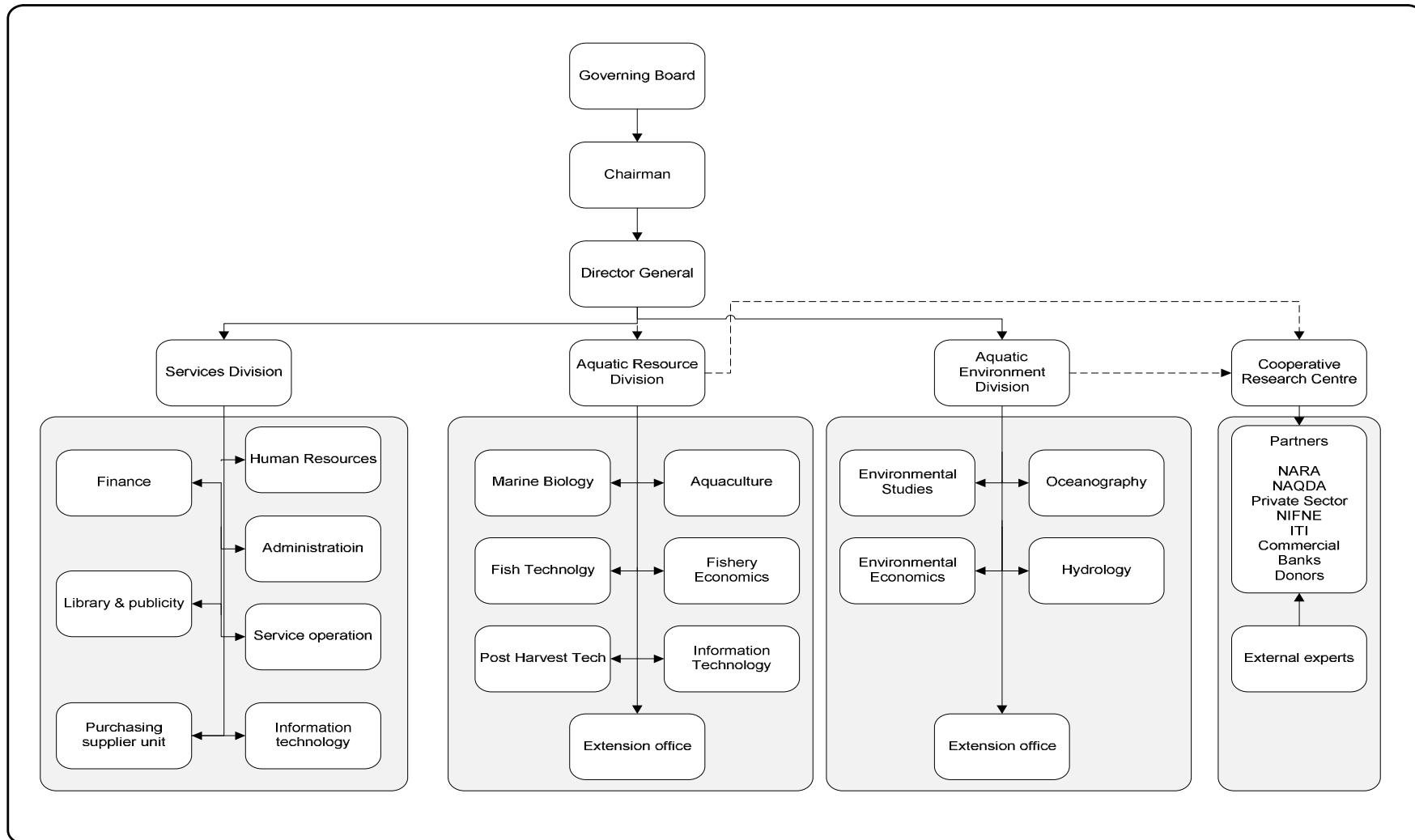
1. NARA should concentrate on its role as Service Provider as per its new Corporate Plan to fully support the policy and implementation activities for all the Ministry, departments and NAQDA.
2. In order to achieve this, NARA should rationalise its divisional structure into two groups: Aquatic Resources Division and Aquatic Environment Division, both divisions to incorporate technical and economic inputs into research activities. Economic activities within ARD should include input / output analysis resulting from proposed management systems; and AED should incorporate environmental economics as a component of its research work.
3. NARA should add a new unit to its Services Division to include Human Resource Department with an assigned training and personnel officers.
4. NARA's action plans and tasks should incorporate the following activities.

BOX 24: Action plans and tasks for NARA

Division	Tasks
Aquatic Research	<ol style="list-style-type: none"> 1. Assessment and management of coastal and offshore fisheries resources such as tunas, bill fishes and sharks, small pelagic and demersal fishes, crustaceans and molluscs; and inland aquatic resources and aquaculture. 2. Provide extension services to support ongoing scientific, economic and technical input in fisheries management, fishing technology, aquaculture and post harvest activities.
Marine Environment	<ol style="list-style-type: none"> 1. Provide the technical knowledge for assessing the impact on sensitive habitats such as coral reefs, and threatened marine fauna. 2. Conduct ongoing work which assesses ocean dynamics and the reaction to man made structures. 3. Provide information through bathymetric surveys and GIS mapping. 4. Provide information on the impact human and natural activities on the coastal zone (corals, mangroves etc). 5. Provide advice on technical conservation measures. 6. Provides an extension service to SAMs and APC.

5. NARA to participate in the preparation of coherent policy documents on fisheries management, aquaculture and fleet development and fish marketing, under the auspices of MFAR..
6. NARA should review annually the progress with regards to progress in achieving the relevant results specified in the Log Framer.
7. NARA should improve its extension functions aimed at providing scientific, economic and technical advice for the development of FMAs and SAMs.
8. NARA's Aquatic Environmental Division, CCD and other related organisations to establish a Cooperative Research Centre in partnership with other national Departments (MPPA) and in partnership with the private sector in a program to evaluate and rectify impacts on the marine and coastal habitats.

FIGURE 6: Proposed NARA organisation chart



9. NARA Divisions should conduct monthly divisional meetings with both Research Officers and Research Assistants to facilitate dialogue on current and prospective project activities and to optimise work sharing experiences.

12. NARA to make specific provision for training in M&E, extension and other elements of HR development.

5.1.6 NAQDA

1. It is recommended to change the NAQDA's mission statement to be as follows: *To promote the development of self sustainable inland, marine, brackish water aquaculture systems and to facilitate the expansion of supplies to the domestic and export market in cooperation with the private sector*

2. NAQDA's remit to be confined to development and extension (including the promotion of fisheries co-management). Compliance duties to revert to DFAR so as not to compromise the organisations development focus.

3. The following action plans and tasks should be added to NAQDA's existing activities.

BOX 25: Action plans for NAQDA

Division	Tasks
Freshwater aquaculture	<ol style="list-style-type: none"> 1. To undertake fingerling production with a transition to private sector in 10 years. 2. Stocking of tanks with a transition to private sector in 10 years. 3. Promotion, through extension, development of aquatic plants and ornamental fish for export. 4. Encourage private sector participation and investment in aquaculture. 5. Promotion of organic farming methods and schemes. 6. Promotion of freshwater prawn farming.
Coastal aquaculture	<ol style="list-style-type: none"> 1. Promoting the development, through extension of brackish water aquaculture and mariculture. 2. Encourage private sector participation in aquaculture. 3. Monitoring and regulation of shrimp farming activities. 4. Encourage private sector participation in aquaculture.

4. NAQDA to participate in the preparation of coherent policy documents on aquaculture and fish marketing, under the auspices of MFAR.

5. NAQDA should review annually the progress with regards to progress in achieving the relevant results specified in the Log Frame.

6. Formulate a CRC with:

- NARA, NIFNE and the private sector for development (see above) and education programs including examining new systems, promoting bio security, Training of NAQDA, public and private sector personnel, product development;
- with the private sector for the gradual transition of fingerling production from public to private ownership; and
- promote through the CRC, achievement bonuses for successful extension officers, especially those working in the conflict areas.

7. NAQDA's cadre to be expanded to cater for the extra demands for extension officers to support small scale aquaculture, aquarium fish culture and live rock culture. This could require reassignment of the current statistical staff.

8. Promote the exposure of new techniques and systems to industry participants through attendance at Regional (Asian) workshops.
9. NAQDA to make specific provision for staff training in M&E, extension, participatory approaches and other elements of HR development.

5.1.7 NIFNE:

1. NIFNE's management to be restructured to ensure delivery on the training requirements as required supporting the delivery of the MFAR Ten Year Development Policy Framework. The restructuring exercise should be supervised by a Committee representing MFAR/DFAR/NARA & NAQDA HR Directors, along with additional independents from the educational establishments, and the three principal organisations, the NFFC, the Sri-Lanka Aquaculture Development Alliance and the Exporters Association.
2. NIFNE should redefine its objectives to put a stronger focus on supporting the implementation of the MFAR Ten Year Development Policy Framework through:
 - training fishers in new fishing techniques, fish finding, post harvest preservation, safety at sea, and navigation;
 - training fisheries administrators in fisheries policy and legislation, fisheries inspection, fish hygiene, extension theory and practice, M&E and other areas of weakness;
 - training fish farmers in farming practices; and
 - training cooperative leaders in business skills and fisheries co-management.
3. NIFNE should remove any focus from non essential training and other activities.
4. NIFNE should focus training activities in the regional colleges (MDBs) and mobile units (coastal fishers).
5. NIFNE should be assigned experts via donor support to assist in the upgrade of college trainers to a high skill level. High quality 'train the trainers' to be used for a transition period to improve training techniques and content where the needs have been determined through needs analyses.
6. Fishers to be actively targeted through developing partnerships with the NFFC and FCS organisations.

5.1.8 The Corporations

1. The Corporations should participate in the preparation of coherent policy documents. Contributions should only relate to areas which are of direct relevance to each organisation, e.g. fisheries compliance (CFHC), fleet development (CFHC & CeyNor), and marketing (CFC) and quality control (CFHC).
2. As part of the restructuring process, the corporations should review income earning potential, following restructuring guidelines set by PERC.
3. GoSL should promote the concept of integrated infrastructure investment either under the control of CFHC, or in partnership with private producers (e.g. ice plants).

4. CFHC to be allowed to raise its harbour levies and operate each port as separate cost centre, with an agreed formula to plough profits into strong ports to improve the facilities. GoSL should be informed of the high economic viability of these vessels, justifying these charges.
5. The Corporations should make provision to organise training programs that will improve the skill levels for individuals thus either increasing their contribution to the Corporation or making them more attractive to prospective employees including the MFAR organisations.
6. MFAR should investigate the possibility of transferring Corporation cadre to new roles identified (fishery inspectors, Quality Assurance Assistants) as part of the institutional restructuring exercise.
7. CFC to seek to examine the possibility of franchising its Ceyfish logo to a commercial operator.
8. CFC to reassess its role as a wholesale intermediary in the sale of tuna.

5.1.9 The fishing cooperatives

The following recommendations are made:

1. To put strong emphasis on additional training of cooperative leaders on fisheries co-management.
2. Secure support from donors for added provision of micro credit.
3. Additional donor funding for management and capacity strengthening to NFFC, via an NGO, or through the direct support of FSDD.

5.2 Enhancing staff performance

Achieving institutional relevance and enhancing organizational performance will require creating new competencies as well as new mindsets, in terms of imparting new knowledge and skills as well as changing attitudes and behaviours. These aspects of improving human resources will have to focus upon redefining job requirements and skill levels; training and retraining of personnel, providing for career progression and professional networking; revamping appraisal of performance; developing team work and improving work relationships.

Such improvement in the work situation will be contingent on improving the state of the art in regard to systems, procedures and practices for improving staff performance. It is critical that these dimensions of enhancing performance in terms of the systems and procedures for planning and management for policy implementation and service delivery work in tandem with improvements in human resource management in order to institutionalize the redefined public sector governance roles. Thus enhancing staff performance will have to involve establishing improved work environment.

In order to create opportunities for enhancing staff performance it is necessary that the individual organizational staff members find greater institutional space to achieve several important drivers of productivity and performance.

- Realize a sense of achievement and fulfilment in undertaking the responsibilities assigned in their respective job positions.

- Find scope and support for the application of knowledge and skills acquired through training in carrying out tasks assigned.
- Find opportunities for satisfaction of human needs especially in terms of social and ego satisfaction through schemes for recognition and reward for good work done.
- Find support for enhancing work performance through the combination of appraisal and counselling.
- Find opportunities for satisfying work relationships through greater opportunities for team work.

The foregoing institutional imperatives of enhancing staff performance calls for careful consideration of the overall capacity building strategy. Three important aspects are noted here while a capacity building strategy would be implicit and need to be worked out for each result area and each sector organization.

(1) Sequencing improvements in planning and management

Enhancing staff performance will then involve sequencing the improvement planning and management of organizational operations.

- Defining the component service delivery program

Improving the performance of each of the result areas and sector organizations involve decisions regarding what services, when and where and working out the planning, budgeting and delivery arrangements for the implementation of policy and the delivery of services.

- Creating the mindset

Any improvement in the performance of staff in carrying out job responsibilities will be as much a question of the ‘frame of mind’. Initial orientation to the MFAR Ten Year Development Policy Framework and the ensuing responsibilities of the organization, the division and the work team is a pre-condition for the successful delivery of planned results and performance of individual and team tasks.

(2) Creating Capacity

While the substantive capacity interventions must be specific to the respective service delivery programme and the institutional arrangement for its delivery several capacity building inputs that are noteworthy:

- Reviewing and redesigning systems (where appropriate), procedures and practices for respective implementation and service delivery operations;
- Preparation of guidelines and manuals for planning and management of implementation and service delivery; and
- Establishing reporting systems to support more effective management of implementation and delivery of services.

(3) Review and Learning

Creating a continuous learning environment and sector, organizational and individual levels will constitute a key input into achieving institutional relevance and organizational performance. There will be several elements of learning that would require being built into the MFAR Ten Year Development Policy Framework implementation process:

- Review by MFAR policy group;
- review by Program task groups;
- deliberations of sector organization working groups;
- deliberations of task teams; and

- deliberations of inter-agency district teams.

Capacity building involves a dynamic process of learning and adaptation. The traditional route to learning in organizations is through training. However a word of warning is necessary here in that there is a gap between training and learning. It is important to note that whatever an organizational member learns is learnt by him/her self. Hence the importance of creating an organizational environment wherein there is willingness to learn and apply such learning is at the core of enhancing staff performance.

It is then necessary to establish a training-learning system in the sector and in the sector organizations. The issue is about institutionalizing training and learning where the relevant human resource management functions are not mainstream service delivery operations. It will be necessary to explore opportunities for organizing training and learning for a networking arrangement around professionals and groups located with professional bodies.

A further issue about training and learning in the fishery sector is the wide variety of service delivery needs in each of the components. The training needs for service delivery situations would also differ widely according to the nature and scale of operations. Therefore the training and learning systems should have the capacity to provide for varying standards of expertise required.

Following actions are proposed to set in motion staff performance enhancement in sector organizations.

- a. Establish a focal point in MFAR for human resource development support to sector organizations.
- b. The MFAR focal point for HR to establish a network of management development and training providers to facilitate the delivery of training activities in sector organizations.
- c. Sector organizations to establish focal points for HRD with responsibility for formulating and implementing ongoing staff performance improvement actions.
- d. The MFAR focal point for HR to organize a two-day diagnostic workshop on organization development for the sector organizations to initiate a process of designing and developing a program for improving planning and management of redefined public sector fishery governance roles and responsibilities of sector organizations.
- e. The sector organizations to formulate programs for improving planning and management of redefined fishery governance roles and responsibilities within three months of the Workshop. The process to be facilitated by appropriate technical facilitation.
- f. Sector organizations to concurrently carry out a review of individual and team work assignments to ensure alignment with redefined governance roles and responsibilities.
- g. Action plans of sector organizations to be formulated according the result areas incorporating performance targets/ standards for key activities. Divisional action plans to be prepared to enable assignment of responsibilities to units/work teams.
- h. The MFAR focal point for HR to facilitate the review of the practice of human resources management in sector organizations in formulating guidelines on best practice, responsibilities of managers and supervisors covering especially staff appraisal arrangements, recognition and reward, and career progression.
- i. Sector organizations to formulate career development programs to ensure succession at senior management levels of MFAR and sector organizations.
- j. Using the training matrix at Table 16, sector organizations to formulate training plans for the organization disaggregated to divisions.

- k. The MFAR focal point for HR to mobilize training resource support from the network of training and management development providers to implement and carry forward the training plans.
- l. Sector organizations to assign clear responsibility for training and budget support for funding training activities.
- m. Establish quarterly program implementation reviews in sector organizations to promote exchange of experiences as well as accountability for results. Heads of divisions to make presentations on agreed reporting formats.
- n. Establish bi-monthly program review arrangements at the divisional level of the sector organizations to promote understanding of and accountability for results. The head of division to be made responsible for ensuring the conduct of review sessions. Presentations will be made by units/work teams on agreed reporting formats.

5.3 Translating policy into action

5.3.1 Implementing the Ten Year Development Policy

5.3.1.1 Changes to legislation

Appendix L provides a template for the proposed changes required to the Fisheries Act. These changes are based on the requirements and identified shortcomings which are further detailed in Appendix I, Table 3 and which are mainly related to the following issues:

- clearly defined objectives for the Act relating to sustainable fisheries and aquatic resources and adherence to international conservation and management measures;
- clarification of the Minister's powers to introduce limitations;
- guidance for the Director General in terms of conservation and sustainable use of fisheries and aquatic resources;
- reduction in the size of Fisheries and Aquatic Resources Advisory Council and provide for an independent chair;
- new provisions for: gear stowage, requirements for Sri Lankan vessels in areas beyond national jurisdiction, requirements for foreign vessels entering Sri-Lanka waters, transhipments, fishery management areas;
- powers relating to potential offences under fishery management plans;
- powers to regulate for provision for operation of VMS; and
- refinement of the legal basis for fisheries management plans.

According to the Log Frame, these changes are expected to be implemented within 2007.

The report also identifies a number of suggested improvements for the Coastal Resources Management Bill (Appendix K).

These improvements are as follows:

- define the objectives of the Bill linked to protection and enhancement of the coastal zone and the sustainable use of coastal resources;
- include powers to clarify limitations where power is vested;
- provide guidance to the terms of conservation and sustainable use;
- reduce the size of the CCCRMAC with an independent chair;

- provide for greater input into formulation of the CZMP by stakeholders and third parties including fishers;
- provide criteria for the declaration of affected areas, beach parks and conservation areas and clarify the associated consultation processes;
- allow more discretion to declare Special Management Areas if adjacent to Coastal zones or omitted from the CRMP;
- provide for improved consultation with stakeholders when formulating coastal access plans; and
- define the terms conservation and protection.

5.3.1.2 Setting activity milestones and identifying donors

The Log Frame (Appendix H) identifies 118 activities required to support the implementation of the 10 year plan. Each activity is assigned (Section 5.1) to one or more institution. To implement these activities it will be necessary to ensure that the cadre (as recommended) is assigned to the tasks in order to determine:

- (a) the responsibilities for each Division, Unit and cadre;
- (b) to distribute time allocations accordingly to the tasks as well as the allotted training recommendations (Section 5.2);
- (c) to determine a budget for each assignment; and
- (d) to identify the source of funding.

Appendix M provides an indicative illustration of the time allocations per assignment, the assigned Ministry, department or agency, and those activities that already have funding (darker shading), and those activities that could attract donor funding in future (lighter shading). The former encompasses support from all of the exiting programs.

The latter includes the following:

1. Training programs for compliance inspectors (fisheries and coastal zone) (Year 2).
2. Support for establishing a Fisheries Monitoring Centre, with VMS (Year 5).
3. Support for development of testing facilities (laboratories and equipment) for food, drug and feeds (Year 2).
4. Upgrading of landing sites and markets presently covered by IFAD funding, but could be extended beyond year 6.
5. Upgrading of ice plants (Year 2).
6. Support for the upgrading of cooperative societies (micro credit, development of cooperative clusters and strengthening the NFFC) (Year 2 onwards).
7. Training of trainers (NIFNE staff empowered to high levels to support modular training of fishers) (Year 2 onwards).
8. Support for small scale freshwater aquaculture systems (Year 2 onwards).
9. New fisheries identified (Year 2 onwards).
10. Support for coastal zone protection (Year 2 onwards).
11. Development Bank support for refinancing projects in fishers and aquaculture (Years 2-10)

Additional activities that could command donor support could be through the CRC (Section 5.1.4).

The above list is indicative only.

5.3.1.3 Setting activity responsibilities and budget

To implement policy changes and the Ten Year Plan it will be necessary to refine the cadre, according to the recommendations, and additional budgetary constraints, assign the man days by task and job responsibility, including a component for training, and from this, and determine the recurrent fund allocations.

Capital (office equipment, vehicles and buildings/constructions) can also be determined for each assignment. A working excel spreadsheet has been developed by the consultants to allow the MFAR Planning Division to review resource allocations in the light of the reports recommendations.

Implicit in this task is that each officer is set a job description which clearly lays out his or her duties.

Separate budgets will be required to implement the recommended training programmes as identified in Table 16.

5.3.2 Implementing institutional reform

The most important issue is that the Review generates results. The concern would be that the inertia shown by the stakeholders and workshop participants could disappear without appropriate coordination.

It is therefore recommended that MFAR will appoint a Committee, answerable to the Secretary, to ensure that the recommendations for policy implementation, institutional reform and individual career development are adopted. The Committee should appoint a facilitator from Divisional level, supported by a technical team, to ensure that the activities are undertaken.