



GRANT 002-INO

**EARTHQUAKE AND TSUNAMI EMERGENCY SUPPORT PROJECT
(FISHERIES COMPONENT)**



**BRIEFING DOCUMENT
3 November 2006**

Figure 1 NAD/Nias Districts



Source: MapFrame

Background

Fisheries (including aquaculture) was the most severely affected among the economic sectors by both the December tsunami and the March earthquake in NAD and Nias. A high proportion of boats was damaged, destroyed or lost, almost all fishery infrastructure destroyed and aquaculture ponds and cages damaged across a wide swathe of coastline.

With fishery an important economic activity in an estimated 600-700 tsunami and earthquake affected villages in NAD and Nias, and over 100,000 people directly employed in the fisheries sector, the ETESP Fisheries component provides a leading and vitally important contribution to the rehabilitation and reconstruction of this important livelihood and economic sector for NAD and Nias.

Geographical scope and beneficiaries

ETESP-Fisheries supports the rehabilitation of livelihoods of tsunami and earthquake affected people across eleven districts and towns in NAD and Nias islands, including: Aceh Besar; Aceh Utara; Pidie; Nias; Nias Selatan; Banda Aceh; Bireuen; Lhokseumawe; Aceh Jaya; Aceh Barat; and Simeulue.

From ongoing/planned 2006L and 2006 budgeted activities, ETESP Fisheries provides direct support to 33,700 beneficiaries plus family members. The number of ETESP Fisheries beneficiaries will also increase in 2007, as ongoing assessments identify vulnerable households and communities and bring them into the component.

To this number can be added the multiples of secondary beneficiaries in the BRR, MMAF, DKP, plus their families who are directly or indirectly involved in fisheries rehabilitation activities.

Fisheries component activities

The objective of the Fisheries Component of ETESP (ETESP-Fisheries) is to rehabilitate and restore the fisheries sector and related coastal natural resources in eleven districts of NAD and Nias. ETESP-Fisheries is formulated to address key concerns for rehabilitation and reconstruction of the sector in an integrated and needs driven way through six inter-related subcomponents. The approach taken by ETESP-Fisheries contributes not only to addressing the urgent rehabilitation needs of the people of NAD and Nias, but is giving priority to sustainability as well as opportunities for improvements and modernisation for the sectors future sustainable development. The six interlinked subcomponents necessary for rehabilitation and reconstruction of the sector and supported by ETESP-Fisheries are:

Community empowerment

ETESP-Fisheries, in cooperation with an ETESP NGO contract to Bina Swadaya is supporting organization, training, and empowerment of fisher and farmer groups and grants in 325 priority affected coastal villages, for community driven needs

assessments, rehabilitation work, livelihood restoration and development and coastal resource rehabilitation.

Capture fisheries

ETESP-Fisheries provides technical and financial support plus production inputs for the construction or repair of fishing vessels, engines and gear for recovery of fishing operations, with careful consideration not only of community needs but taking into account the sectors capacity and long-term sustainability.

There are 24 boats currently being constructed, of larger type (7-20GT), across four districts, and are expected to be completed by December 2006. Designs are completed for another 70 for 2007.

Aquaculture

ETESP-Fisheries provides technical and financial support and production inputs to affected small-scale shrimp and fish farmers to rehabilitate damaged ponds, infrastructure, small-scale mariculture facilities and hatcheries and restart productive aquaculture enterprises in a sustainable and environmentally sound manner.

There are around 1200ha under construction, and another 1500ha starting under BRR 2006 budgets for implementation over next 4 months. This represents about 13% of 20,000ha damaged by the tsunami, indicating substantial further work is needed. There are around 7 shrimp hatcheries ongoing, and 40 planned for 2007. 75 villages are being assisted with small-scale fish, crab and seaweed farming

Fisheries infrastructure and postharvest facilities

ETESP-Fisheries provides technical and financial support to affected coastal communities for rehabilitation of priority district and community operated fish landing places, markets and other essential fisheries infrastructure. There are 16 fish landing places, 4 fish markets, plus fuel stations, drying facilities and other facilities under implementation or design.

Coastal resource rehabilitation

ETESP-Fisheries provides technical and financial support or materials to rehabilitate and manage damaged coastal natural resources, including mangroves and other coastal forest habitats, associated with fisheries and aquaculture. Mangroves and coastal forest rehabilitation will be rehabilitated over 300ha in 2006 and 2007.

Fishery services restoration

ETESP-Fisheries supports restoration of damaged fisheries services and extension capacity, to improving the access of fishers and aquaculture farmers to essential services and providing the basis for strong institutions necessary for sustainable recovery. Recovery of fishery services, including marine hatchery centres, training of fisher and farmer groups and government staff, and rebuilding government services for rehabilitation and longer term recovery are under advanced planning or underway

The Future – a Focus on Livelihoods and Poverty Reduction

Fisheries, along with agriculture and small enterprises, is a key driving force in the economy in Aceh and NAD. Tsunami and earthquake damage, combined with years of conflict, has left the sector severely damaged, and many poor fishers living below the poverty line. Trends towards increasing poverty among the rural population in Aceh and Nias are a major concern and require significant investment if a potential livelihood crisis in rural communities is to be averted.

Rehabilitation and reconstruction in the fisheries sector will therefore be essential to restore productive assets, reduce poverty, and develop the potential of the fisheries sector to contribute to GDP and many thousands of rural people.

Whilst rehabilitation of the fisheries sector continues to make good progress during 2006, the need for substantial further investment is becoming increasingly clear. Estimates suggest US\$900 million of public and private investment is required over 2007-2012 for rehabilitation and reconstruction of the fisheries sector, and to develop the potential of the fisheries for alleviating poverty and contributing to GDP. Such investment is expected to generate substantial returns with gross revenues in excess of US\$1.5 billion over a five year period. It will also reverse the alarming poverty trends and provide the basis for a more sustainable future for perhaps half a million people.