

SHORT TERM CONSULTING OPPORTUNITY WITH THE CRFM SECRETARIAT

1	Title Study on the impacts of rising cost factors such as capital, labour, maintenance and energy costs on fishing operations in the CRFM Member States and REBYC-II LAC participating countries
2	Summary The CRFM Secretariat is inviting expressions of interest from suitably qualified persons to undertake a short term assignment to review the impact of rising cost factors, such as capital, labour, maintenance and energy costs on fisheries operations in the CRFM Member States and REBYC-II LAC participating countries, and propose appropriate policy options and strategies for dealing with the resulting issues in order to improve efficiency, improve on productivity and sustainability, and reduce economic risks to the sector. The project will be conducted over a period of ten (10) months between December 2015 and November 2016.
3	Special Notice The CRFM Secretariat is seeking the services of a Resource Person to work along with the CRFM staff to conduct field missions to up to five (5) countries for consultations with stakeholders to gather information for the study. Additional information will be obtained from other countries remotely using a questionnaire survey system such as SurveyMonkey. The Resource Person will also assist with the analysis and interpretation of the data collected and preparation of the reports required.
4	Content of the Expression of Interest The Expression of Interest should be based on the Terms of Reference below, and concise. It should confirm that the Resource Person has the necessary expertise, experience and is available to deliver the outputs as specified within the required deadlines. CV or resume of the Resource Person should be submitted with the Expression of Interest. The outputs will be delivered in English but the Resource Person must be able to work in both Spanish and English.
5	How and where to submit Expressions of Interest Expressions of Interest and supporting documentation should be submitted in PDF format to: Executive Director, CRFM Secretariat, at: secretariat@crfm.int ; sherlene.audinett@crfm.int
6	Fees The Resource Person will be paid a fee of US\$400 per day for 25 days or a total of US\$10,000 to conduct the study. Other costs relating to travel for the field missions and participation in workshops will be covered by the project.
7	Deadline Expression of Interest should be submitted to the CRFM Secretariat on or before 5:00pm on Monday 4 January 2016
8	Further Information For further information or clarification on this invitation, please contact: Mrs. Sherlene Audinett: sherlene.audinett@crfm.int or telephone +501-223-4443
9	Acknowledgement This assignment is being undertaken with funding provided by the Food and Agriculture Organization of the United Nations (FAO)

ANNEX 1

TERMS OF AGREEMENT

1. Background

Many Caribbean countries are highly dependent on imported food and agricultural products and are also very susceptible to changes in world food prices. Such prices may spike upwards as climate change and climate variability exacerbate droughts and floods in the world's major agricultural producing regions. The unprecedented hike in food and fuel prices that occurred in 2008/9, resulted in severe economic, social and political consequences in many developing States, including Caribbean States. Competition from cheap imported fish and food items and high prices of inputs for local producers have become major obstacles to Caribbean countries' efforts to increase agriculture and fish production. The fishing communities are among the most affected groups. The high cost of inputs combined with poorly managed and overexploited fish stocks have significantly contribute to decreasing production and profitability of fishing units, un-competitiveness, and increasing food and nutrition insecurity and poverty in fishing communities in many countries.

Both subsistence and commercial fishing, including aquaculture can contribute significantly to the well-being of the people and the social and economic development of the Caribbean countries. The living marine resources of the Exclusive Economic Zones (EEZ) have provided a vital source of food, employment, foreign exchange earnings and social stability of coastal communities. According to preliminary statistics compiled by the CRFM, total domestic fish and aquaculture production in the CRFM Member States was 146,356 tonnes in 2014. Total fish imports for the same period was 68,038 tonnes valued at US\$270 million, while total fish exports amounted to 74,067 tonnes valued at US\$269 million. This underscores the importance of the sector to food and nutrition security, export of earnings, economic development and livelihoods, despite the growing challenges associated with environmental changes such as the impact of climate change and climate variability, and the global financial and economic crises in recent years.

There is no representative global data set on the costs of fishing. Fishing costs vary greatly by type of fishery and locality: for example, trawl fisheries tend to have high fuel costs, while many smaller vessels are non-motorized and the cost of subsistence fishing may be little more than the cost of the labour involved. In general, the major cost factors for most fisheries are: labour (30–50 percent of total costs), fuel (10–25 percent), fishing gear (5–15 percent), repair and maintenance (5–10 percent), and capital cost, such as depreciation and interest (5–25 percent). The trends in the costs of each of these factors of production are relevant not only for an understanding of the historical trends in fisheries but also to provide a basis for future projections of, for example, the effect of changing fuel prices.

The CRFM governing bodies have recognized that CRFM Member States need to guard against future economic shocks such as spikes in fuel prices and other inputs, reduce economic risks, modernize with a view to improving the efficiency of the fishing fleets in the region, reduce barriers to accessing new markets, and address price fluctuations for commercially important species by promoting and developing value-added products. The CRFM Secretariat was tasked with developing terms of reference and finding resources for a study to address the issues. The study will make recommendations to address the various issues affecting the efficiency and profitability of fishing vessels, and the broader issue of improving the competitiveness of fishery operation in the region.

The recently-launched FAO-GEF REBYC-II LAC Project aims to build on the success of the 2002-2008 REBYC I project with additional partners from the public and private sector, to broaden the number of participating countries and integrate bycatch reduction devices into a wider management framework aimed

at sustainable fishing practices. REBYC-II LAC Project will involve Brazil, Costa Rica, Colombia and Mexico, in addition to the CRFM Member States, Suriname and Trinidad and Tobago, and the CRFM Secretariat as an institutional partner.

The study will review the impact of the rising cost factors, such as capital, labour, maintenance and energy costs on fisheries operations in the CRFM Member States and REBYC-II LAC participating countries and propose appropriate policy options and strategies for dealing with the resulting issues in order to improve efficiency, improve on productivity and sustainability, and reduce economic risks to the sector.

2. Terms of Reference

2.1 Definition of Output(s) and/or Outcome(s)

The Service Provider will produce, achieve or deliver the following outputs:

Output 1: Workshop organized to discuss and agree on methodology to be used in the study

Output 2: Study designed and data gathered, interpreted and analyzed on the impact of rising cost factors (e.g. capital, labour, maintenance and energy costs) on fishing operations in the CRFM Member States and REBYC-II LAC participating countries

Progress report on outputs 1 and 2 will be needed to request the second payment.

Output 3: Report and recommendations drafted towards reducing economic risks to the fisheries sector and improving profitability, competitiveness, sustainability and food and nutrition security in CRFM Member States

Output 4: Regional validation workshop organized involving fisheries representatives from CRFM Member States and REBYC-II LAC participating countries, private sector and other stakeholders

Draft study report and workshop arrangements will be needed to request the third payment.

Output 5: Policy brief highlighting key policy recommendations of the study prepared

Output 6: Report finalized based on the comments from FAO and discussions from the regional validation workshop and workshop report

Policy brief, workshop report and final study report will be needed to request the last payment, including the Final Report (narrative report and financial report) indicated in paragraph 7a of the Letter of Agreement.

2.2 Description of Services

A team of fisheries experts will undertake the study and assist with the preparation of the necessary policy briefs and strategy to improve efficiency and competitiveness in the fisheries sector. The Team will work in close collaboration with the CRFM Secretariat staff, Directors and staff of the Fisheries Departments, private sector representatives and other stakeholders in the fisheries sector to conduct the assignment. The analysis of the options should take into account the broader social, economic, environmental, trade and development context within the region.

The study will include both industrial and small-scale fisheries in the region. A resource person in collaboration with the CRFM Staff will develop criteria for selecting the countries to be visited and fisheries to be covered. This will be reviewed at the methodology workshop where final selection will be agreed. The Team will select up to five countries for field visit and consultation with stakeholders to gather information for the study. Additional information will be obtained from other countries remotely using a questionnaire survey system such as SurveyMonkey.

The Team should consider ways of reducing operational costs and ways of adding value and increasing returns from the catch taken, as well as improving overall competitiveness. The Team should consider both short term remedies to address urgent concerns, and longer term structural solutions that will help the fisheries sector adapt to a future with higher/fluctuating fuel costs while ensuring the long term ecological sustainability, social stability, economic viability and international competitiveness of the fishing operations in the region. The Team should critically consider all reasonable options for responding to the problems, including inter alia; doing nothing and allowing market forces to eliminate inefficient operators especially in fisheries where there is already overcapacity, the provision of incentives, whether direct or indirect, from governments to reduce their operating cost.

The long-term policy options that may be considered may include, inter alia:

- Promoting the use of more fuel efficient vessels and engines.
- Promoting more efficient and ecologically friendly fishing methods and improved gear technology, such as, the use of static gears like set nets rather than trawling.
- Improving the return on investment through improved assurance of product quality and food safety, product specification based on actual market demand, and access to markets where better prices may be realized.
- Improved utilization of catch and reduction in waste, bycatch and discards.

The services and activities to be performed by the Service Provider in consultation with FAO are:

- Organize a workshop to discuss and agree on the methodology to be used during the study. The workshop will be guided by FAO Fisheries Technical Paper 482, Economic performance and fishing efficiency of marine capture fisheries <ftp://ftp.fao.org/docrep/fao/008/y6982e/y6982e01.pdf>.
- Design the study, gather the necessary data and information, analyze and interpret the data and formulate the recommendations of the study.
- Prepare a draft report and recommendations.
- Organize a regional validation workshop involving fisheries representatives from the CRFM and REBYC-II Participating States, private sector representatives and other stakeholders to review and validate the draft report findings and recommendations and agree on follow-up activities. In order to minimize costs, every effort will be made to convene the workshops back-to-back with CRFM meetings.
- Prepare a policy brief of approximately eight pages highlighting the key policy recommendations of the study
- Finalize the draft report based on the comments and discussions of the regional validation workshop.

2.3 Workplan and Timeframe (Duration)

This project will be implemented over a period of 10 months between December 2015 and November 2016.

Main Activities	Period of implementation
Engagement & briefing of resource person	1 – 20 December 2015
Literature review & development of proposal for methodology	21 Dec 2015 – 15 Jan 2016
Small Planning workshop to agree on methodology (2 days)	1 -15 Feb 2016
Preparation and Submission of Workshop Report	15 -20 Feb 2016
Field Visit & Data collection	16 Feb – 30 April
Data analysis and report preparation (including Policy Brief)	1 May to 30 June 2016
Submission of 1 st and 2 nd drafts of Report & Policy Brief	1 – 31 July 2016
Validation Workshop (2 days)	5-8 Sept 2016
Revision of Report & Policy Brief	25 Sept -25 Oct 2016
Submission of Final Technical Report (including policy brief)	28 October 2016
Submission of Financial and Administrative Report	15 Nov. 2016