



Evaluation of Norwegian Development Co-operation in the Fisheries Sector

**Evaluation Report 6/2008
Executive Summary
Final**



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ECON Pöyry and Natural Resources Institute

Norad

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Executive Summary

- This report evaluates Norwegian development co-operation in the fisheries sector over the period 1985–2006, covering bilateral development assistance and support to private sector development, with the emphasis on longer-term development impacts. The Fridtjof Nansen Programme is not covered as it has been the subject of several previous evaluations. Support through multilateral agencies such as FAO and World Bank is also not covered.
- The evaluation assesses relevance, efficiency, effectiveness, development of institutions and sustainability of co-operation, and focuses on the key themes of policy development; research, training and education; and private sector development.
- The methodology included: a desk review of information, documents and records made available to the consultants at Norad's offices and archives in Norway and at embassies in partner countries; detailed case studies of co-operation with Mozambique, Nicaragua and Vietnam; and a sample of private sector development projects in Asia, Latin America and Europe. Consultations were carried out with various stakeholders, including government ministries and fisheries research establishments, fisheries development institutions, fishing associations and fishing communities and private sector companies in the fishing sector.
- Norway has provided support to the fisheries sector to 57 countries totalling NOK 1,500 million (US\$ 221 million) over the period 1985–2006. Over half has been directed to Africa (principally Namibia, Mozambique and Tanzania). This is followed by Asia (principally Sri Lanka, Vietnam, Philippines and China) and then Latin America. The main channel was bilateral support (58%) with 42% as multilateral support. 27% of the bilateral support was for private sector development.

Impacts of Norwegian Support to the Fisheries Sector

- Norwegian development co-operation in fisheries has been relevant to Norway and partner countries' priorities, although the overall goal of poverty reduction has not always been the key priority in establishing co-operation objectives. In some cases, areas of Norwegian expertise (e.g. the fisheries sector in general, and more specifically fisheries research, stock assessment and management for the industrial and/or semi-industrial sectors) have taken priority over other areas that could have been more directly relevant for poverty reduction (e.g. the small-scale sector). The projects have been demand-driven, within the framework of support areas established by Norway.
- Efficiency and effectiveness of projects have varied across countries and among projects, although overall have been satisfactory. This has depended on the type of intervention (e.g. some technical support projects were less efficient and effective) and on changes in government policies. In some cases the political risks affecting project implementation were underestimated.
- Most impacts have been felt at central (national) level, where the majority of the support has been channelled through the main sector institutions. Impacts at regional and local levels have been less evident.
- Training, research and education have been a primary focus of much of Norway's development co-operation in the fisheries sector. The approach taken, with a long-term vision, particularly with respect to fisheries research and stock assessment, has been effective in developing human resource capacity in the sector and has shown good sustainability as many people remain within sector institutions. Although it has not been directly relevant to poverty alleviation, it has contributed to equipping the sector institutions with the necessary capabilities to manage their country's fisheries to provide benefits to society as a whole.
- Norwegian support has contributed significantly to institutional strengthening, through a long-term approach to human resources development and training, and through the policy of implementing support from within existing institutions rather than creating parallel project implementation units. Long-term expert advisers placed within institutions have also

contributed to capacity development. This has resulted in positive impacts and good technical sustainability in most cases, as the people trained tend to remain within the sector institutions and activities are more likely to become embedded within institutions' routines. However, there still tends to be a lack of mid-level expertise.

- The institutional twinning approach to institutional development taken in the 1990s resulted in good institutional linkages and personal contacts, but effectively restricted support to the areas of Norwegian expertise. Efficiency was reduced through the need to use relatively expensive Norwegian experts, and the inability of institutions to respond to partner country requests for technical assistance in a timely manner due to other work commitments.
- Development of fisheries training institutions in partner countries has varied across countries. The experiences of Namibia, Tanzania and Vietnam show that there was a positive impact on the institutional development of training institutions in the fisheries sector. However, in Mozambique the emphasis was more on development at the individual level.
- Norwegian support to policy development in the partner countries has varied. In several cases, capacity building through training programmes in aspects of fisheries management and fisheries law with senior government policy makers has made a valuable contribution to policy development at central levels. However there is still a concern about the extent to which policy recommendations are implemented and transmitted down the regional and local levels.
- Support has contributed to helping ensure biological sustainability of fisheries, by developing capacity for stock assessment and management. However, in many cases and in line with global trends, fishery resources are suffering over-exploitation. There are encouraging indications that Norwegian support has helped create the capacity to tackle these difficult issues, although the results are not yet always apparent on the ground in terms of improved management and sustainable fisheries. For development co-operation with government institutions, financial sustainability is not ensured, since government revenues in most developing countries are not sufficient to maintain the level of implementation of activities. This problem is not unique to the fisheries sector but is a concern of the public sector as a whole in developing countries.
- Norwegian support to private sector projects has been effective, although the results differ greatly between Norad and Norfund projects. Companies seeking to invest in fisheries that received seed finance through Norad demonstrated good profitability and financial sustainability. Efficiency with regard to Norad support has been high, with substantial results achieved from limited initial investment funding. With regard to Norfund, profitability of projects has been substantially negative, although the wider development impacts (technology transfer, technical assistance and training) have been positive.
- Gender issues have not been adequately considered in project design and implementation, although there is evidence of favourable gender-related outcomes. However, these have tended to be more coincidental to, rather than a result of, project design.
- As with all development programmes and projects, there are many external factors which can determine success or failure, including macro-economic trends and government economic policy, government commitment to fisheries development, strategies for resource management and exploitation, counterpart funding, stakeholder involvement in project design and management, good governance and indigenous skills. Nevertheless, in the case of development co-operation it appears that additionality has been important, as Norway has been a significant long-term development partner in the fisheries sector in many countries. For the private sector projects, many of the investments could have gone ahead in the absence of Norwegian funding. However, additionality is related to helping direct investments towards regions and countries that may not have attracted private sector investment otherwise.

Operational Issues

- The transfer of development co-operation from Norad to the Ministry of Foreign Affairs has not affected the day-to-day implementation with partner countries, as the main point of contact remains the embassies. However, experiences from other countries indicate

that the change could result in development co-operation being driven by political and diplomatic concerns rather than by developing country needs.

- Information management systems in Norad and the embassies are not adequate for monitoring and evaluating projects and programmes. This includes historical financial information systems, project documentation archival systems and the consistent use of outcome and impact indicators in project design and evaluation.
- With respect to technical, economic and social expertise in the fisheries sector, Norad is understaffed. It therefore relies on a number of other institutions, including the Institute of Marine Research and Norwegian universities, including Bergen, Oslo and Tromsø.

Overall Conclusions and Recommendations

- The overall conclusion is that Norwegian development co-operation in the fisheries sector has had a positive contribution to fisheries in developing countries, supporting research, management, capacity building, aquaculture and the private sector. The impact on poverty alleviation is difficult to determine, since relatively few projects were designed to have direct impacts on poverty. However, the private sector support has had an effect on poverty alleviation through the creation of jobs and trickle-down effects.
- The long-term support provided has been flexible and responsive and Norwegian bilateral support is considered to be one of the best development programmes in fisheries by many stakeholders. The evidence obtained from field work highlights that Norwegian support to the fisheries sector is valued by all and it is recommended that Norwegian development co-operation in the fisheries sector should continue.
- There is a need to define strategic priorities within the fisheries sector, particularly related to whether to continue to focus on areas of Norwegian expertise, or to extend the focus more directly on poverty reduction in the fisheries sector. The latter can be achieved both by interventions aimed at improving the standard of living of poor fishing communities, or by better management of large-scale fisheries whilst ensuring that government income from the fisheries is channelled to other appropriate poverty reduction programmes to benefit wider society.
- A focus on poverty reduction implies integrated and cross-sectoral interventions affecting small-scale fisheries, for which current Norwegian capacity is inadequate. This has implications for capacity development in Norway and sourcing of expertise beyond Norwegian institutions.
- Projects should be demand-driven, but there is scope for Norway to influence the agenda to a certain extent, to ensure that the partner government has poverty reduction, good governance and gender issues at the heart of its policies. There needs to be transparency at the level of beneficiary countries with respect to government policy and the degree to which there is a real demonstrable commitment to poverty alleviation. Transparency also applies to any issues of corruption. Commitment to good governance and gender issues should be explicit in the design of Norwegian-funded projects.
- Policy for the fisheries sector should emphasise the importance of poverty alleviation, environment (including potential impacts of climate change) and gender issues in programme and project design. The political economy aspects of fisheries should also be taken into account — these include income distribution, the impacts of international trade and the distribution of economic rent generated in the fishing sector of existing and potential partner countries. The interaction of the small-scale fishing sector with other economic sectors should also be taken into account. Support to the fisheries sector should be integrated with other Norwegian bilateral aid initiatives such as budget support, economic and social development such as health and education and other infrastructure.
- There is a need for future co-operation to focus on results: the implementation of policy, not just policy development; putting into practice at all levels (particularly the regional and local levels) the lessons that have been learnt; and putting to use the human capacity that has been developed through training.
- Where feasible, short courses and training should be carried out in the partner countries, while specialised courses may be conducted at regional institutions. Other training could be provided by competent Norwegian or other overseas institutions, including those in the south.
- There is a need for the development of better management and financial information systems within Norad, the Ministry of Foreign Affairs and the embassies to monitor and

evaluate the impacts of programme and project support to the fisheries sector. It would also be useful if these systems were discussed with managers and policy makers in the partner countries. Linked to this, there is a need for better programme and project classification (by country, type of document, sector/sub sector) and a clearer archival system for project cycle reports and evaluations, separate from technical reports and background correspondence. Historical and current management and financial information systems should be compatible to facilitate identification of lessons learned across programmes and over time.

- There is a need to improve project planning and monitoring with clearly defined objectives and indicators. Ex-ante and ex-post indicators, both quantitative and qualitative, single and composite, could be used, and should allow for the assessment of impacts with respect to relevance, efficiency, effectiveness, institutional development and sustainability. Medium and long term impacts of projects should be taken into account and assessed, notably the impacts on poverty alleviation, environmental and financial sustainability.
- Although there is technical expertise at the Institute of Marine Research, Norwegian universities and research centres, there is a need for greater in-house technical capacity in Norad in marine/freshwater fisheries, socio-economics and fisheries technology, to be able to effectively support the Ministry of Foreign Affairs and the embassies with technical aspects of project design.

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