

Pre-budget policy recommendations: A proposal from ICAR-CMFRI

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The marine fisheries sector is a cornerstone of Kerala's coastal economy, contributing significantly to employment, food security, and export earnings. However, the sector faces multifaceted challenges, including extreme weather events, insufficient financial safety nets, low adoption of modern technology, and a lack of market transparency. To address these challenges and ensure sustainable economic growth, ICAR-Central Marine Fisheries Research Institute (CMFRI) put forth critical policy suggestions in the pre-budget consultation meeting chaired by Shri. K.N. Balagopal, the Hon'ble Finance Minister, Government of Kerala on December 6, 2024, in virtual mode. The meeting was attended by heads and representatives of various research organizations based in Kerala. The proposals put forth by ICAR-CMFRI mainly aim to promote fisher safety, financial inclusion, technological advancements, and mariculture development while fostering a resilient marine economy. This article outlines the detailed inputs provided for consideration in the upcoming state budget.

Ensuring safety and security of marine fishers

The frequency and severity of extreme weather events along

Kerala's coastline have escalated in recent years posing life-threatening risks to marine fishers who venture into the sea. Prioritizing safety and security is essential to safeguard livelihoods and ensure sustainable fishing operations.

Recommendations: Allocate greater budgetary resources to provide fishers with affordable and subsidized access to onboard life-saving equipment such as life jackets, lifebuoys, flares, and medical kits. Support investments to improve access to modern communication and navigation tools such as Very High Frequency (VHF) radios, Automatic Identification Systems (AIS), satellite phones, and transponders. These tools will enable timely communication during emergencies and help locate vessels in distress.

Expanding insurance coverage for fishers and fishing vessels

Fishing activities involve inherent risks, necessitating appropriate institutional mechanisms such as insurance to address individual risks. However, insurance coverage, particularly vessel/gear insurance, remains limited among Kerala's fishers due to high premiums, inadequate loss

coverage, delays in claim settlements, and unsuitable insurance products. Enhancing insurance coverage will help fishers mitigate financial risks and recover quickly from unexpected damages or accidents, contributing to long-term economic stability.

Recommendations: Introduce insurance schemes with affordable premiums for aquafarming and fishing vessels with simplified terms and conditions. Expand coverage to include partial losses to fishing vessels, to ensure greater adoption and acceptance of insurance products among stakeholders.

Enhancing disaster assistance for coastal communities

Coastal fisher households face recurring damages to their homes and immovable assets due to cyclones, storm surges, and flooding. Existing disaster relief funds are often insufficient to address the recurring challenges. Given this, strengthening disaster assistance mechanisms are the need of the hour and can protect vulnerable populations from the impacts of climate change.

Recommendations: Enhance budget allocations for disaster assistance funds to adequately compensate for losses and damages incurred by coastal-dwelling fishers. Streamline procedures to ensure timely disbursement of disaster assistance to affected communities.

Promoting financial inclusion through institutional credit

Access to affordable institutional credit remains a challenge for many fishers in Kerala, thereby limiting their ability to invest in modern fishing equipment, gear, or alternative livelihood opportunities. Improved access to institutional credit will enable fishers to adopt modern technologies, diversify income sources, and boost productivity.

Recommendations: Increase allocations for institutional credit schemes, particularly the Kisan Credit Card (KCC), tailored for fishers. Allocate resources to create awareness about the benefits of the KCC scheme and simplify the procedures for availing credit among marine fishing communities.

Promoting fish farmer producer organisations/ companies

Fish Farmer Producer Organisations/Companies (FFPOs/Cs) play a pivotal role in creating value chain efficiencies. FFPOs enable collective action among fish farmers to integrate harvest, processing, marketing, and sales. Development of FFFPOs/Cs is identified as a strategic activity under

the flagship scheme the Pradhan Mantri Matsya Sampada Yojana (PMMSY) to economically empower fish farmers and fishers and to enhance their bargaining power.

Recommendations: Allocate greater funds for promoting FFPOs and FFPCs which can bring about greater vertical integration of harvest and post-harvest operations, including marketing and sale of processed fish products.

Promoting mariculture and ornamental fish farming

Mariculture operations such as cage farming and ornamental fish farming have been found to have promising potential in Kerala and can be promoted with a favorable policy environment and through greater funding support. ICAR-Central Marine Fisheries Research Institute (CMFRI) has been involved in research activities including sea farming, coastal mariculture, the development of hatchery technologies for commercially viable marine fish species, and more than 25 marine ornamental fish species. By promoting coastal cage farming and ornamental fish farming, Kerala can leverage its vast coastal resources to boost fish production, generate employment, and increase fisher incomes.

Recommendations: Provide budgetary allocations and policy incentives to promote coastal cage farming and ornamental fish farming.

Modernizing marine fish markets through e-auction platforms

The current marine fish marketing system in Kerala faces challenges related to transparency, price realization, and operational efficiency. Digitizing fish markets through e-auction platforms can revolutionize the sector by ensuring fair pricing and reducing intermediaries.

Recommendations: Establish e-auction platforms in marine fish landing centers to ensure efficiency, transparency, and fair pricing. Develop necessary infrastructure and provide training to stakeholders for the smooth adoption of e-auction systems.

Role of ICAR-CMFRI

ICAR-CMFRI is committed to supporting the proposed initiatives by providing technical guidance on mariculture, cage farming, and other relevant areas within its scientific expertise. The institute can conduct capacity-building programs and skill development initiatives for fishers and stakeholders while offering policy guidance and scientific inputs to monitor the success of the implemented measures.