Sri Lanka
Aquatic Resources Development and Quality Improvement Project

Fish are the principal source of protein for Sri Lanka's population, and play a vital role in meeting basic nutritional and livelihood needs. Extensive water bodies constitute a potentially rich source of food and income for the rural population living in their proximity. In 2000, only 12% of the country's fish production came from inland fisheries and aquaculture. The production potential of the freshwater and brackish water resources has not been optimally utilized because in lack of fish seed for stocking, trained extension staff and outreach, and medium-term credit to finance increased production.

Rural and urban markets have a growing demand for fish. Significant opportunities are also emerging for sale of freshwater fish and aquatic products beyond traditional local markets. Both community-based and private sector initiatives and interest exist to avail of these opportunities, given appropriate support to invest in developing inland fisheries and aquaculture production and marketing.

Given this context, the Asian Development Bank (ADB) approved the Aquatic Resources Development and Quality Improvement Project in September 2002. The project supported aquatic resource development and quality improvement to enhance food security and reduce poverty, especially in rural areas. The project also promoted market-driven and sustainable management of inland fisheries and aquaculture through resource development and quality improvement.

Aquatic Resources Development and Quality Improvement project is in line with the strategic directions of ADB's South Asia Department. The strategy focuses on sustainable infrastructure, climate change mitigation and adaptation, human development, regional cooperation and integration, public–private partnership, and good governance.

Project Results

Inland fisheries and aquaculture development. This project component increased production of fish and other aquatic products and improved resource management and fish production in medium-sized and large perennial tanks. Private sector and small farmer and/or fish farmer investments in aquaculture-related enterprises increased, and aquaculture production techniques improved. Culture species with commercial potential were also identified. Organized communities prepared and trained for participation in community-based fisheries management and aquaculture enterprises.

Quality improvement and marketing. A fish health laboratory (Center for Aquatic Animal Disease Diagnosis and Research) was opened at the University of Peradeniya and has been operating since 2006. About 450 clients have sought laboratory services, training has been provided, and research papers published. A brackish water fish health management and water quality monitoring laboratory was established at Chilaw and has been operational since 2007. About 94 members of community-based organizations (CBOs) were trained in post-harvest fish handling. Information, education, and communication campaigns have raised public awareness as to the benefits of producing and consuming freshwater fish.

> **The project helped reduce poverty by 19% within the 10 districts, and 320,000 households have been raised above the poverty line, exceeding the impact targets**

ADB Asian Development Bank

Project Results
(continued)

Peliyagoda Central Fish Market. Modern market facilities were constructed outside Colombo, aimed at improving efficiency in distributing fresh marine fish and replacing the congested and unhygienic St. John's Fish Market in the city. The facility has improved the efficiency and hygiene of fish marketing, as well as the quality of fish sold.

Institutional strengthening. The National Aquaculture Development Authority's (NAQDA) operational effectiveness was strengthened by constructing new, purpose-built head offices in Colombo and renovating or newly constructing buildings for five regional extension offices and for the water quality monitoring unit in Chilaw. Overseas and in-country training were organized for more than 7,000 trainees from NAQDA staff, related government agencies and members from CBOs. Some 4,750 participants from CBOs attended in-country training sessions in technical and business skills and 48 joined overseas programs.

A national inland fisheries and aquaculture information system was established at NAQDA's head office in 2007 to provide timely and accurate information for managing inland fisheries and aquaculture.

> **Over 550 community-based organizations were actively involved in establishing fisheries and support services, producing additional nutritious food, and taking a pride in their enterprises, which led to positive human development**

Annual freshwater fish seed output rose from 3 million in 2002 to 48 million in 2010.

Overall fishery production, including fish, prawns, and shrimps increased by 47% (10% per year) over the project period to 52,400 tons, and is expected to continue to rise.

The Project at a Glance

Cost and financing: Ordinary Capital Resources, $6.2 million; Asian Development Fund, $13.8 million

Project approval date: 5 September 2002

Project themes: Private sector development, Human development

Status of project implementation: Completed

Loan closing date: 26 November 2010

Executing agencies
Ministry of Fisheries and Ocean Resources, National Aquaculture Development Authority

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