



EAST AFRICAN COMMUNITY
LAKE VICTORIA FISHERIES ORGANIZATION
SECRETARIAT



**REPORT OF THE 8TH REGULAR SESSION OF THE LVFO
COUNCIL OF MINISTERS, ARUSHA - TANZANIA,
13TH NOVEMBER 2013**

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ABBREVIATIONS AND ACRONYMS

| | |
|-------------------|--|
| ACP FISH II | African, Caribbean and Pacific Regional Program to Strengthen Fisheries Management |
| BMU | Beach Management Unit |
| CAS | Catch Assessment Survey (fisheries) |
| CoM | Council of Ministers (LVFO) |
| EAC | East African Community |
| EALA | East African Community Legislative Assembly |
| EALP | East African Community/AMREF, Lake Victoria Partnership |
| EAfish | East African Fisheries database |
| EC | Executive Committee (LVFO) |
| EDF | European Union Development Fund |
| EU | European Union |
| FLTF | Fish Levy Trust Fund |
| FS | Frame Survey (Fisheries census) |
| LVEMP | Lake Victoria Environmental Management Project |
| LVFO | Lake Victoria Fisheries Organisation |
| MCS | Monitoring, Control and Surveillance |
| OSNP | Operation Save Nile Perch |
| RISP | Regional Integration Support Program |
| RPOA- Capacity | Regional Plan of Action for the Management of Fishing Capacity on Lake Victoria |
| RPOA-IUU | Regional Plan of Action for Reducing Illegal, Unreported and Unregulated fishing on Lake Victoria and its Basin |



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REPORT OF THE 8TH REGULAR SESSION OF THE LVFO COUNCIL OF MINISTERS EAC SECRETARIAT, ARUSHA TANZANIA

The 8th Regular Session of the LVFO Council of Ministers was held at EAC Secretariat, Arusha, Tanzania, on 13th November 2013. The Meeting was attended by the members of the LVFO Council of Ministers, LVFO Policy Steering Committee and Executive Committee; and the Executive and Deputy Executive Secretary of LVFO and the chairman of the Fish Processors Association as an observer. The LVFO Country Desk Officers; and other LVFO Secretariat staff attended as organizing team. The list of participants is attached (*Annex I*)

The LVFO Council of Ministers, elected the Cabinet Secretary, Ministry of Agriculture, Livestock and Fisheries, Kenya, as the Chairperson and the Minister, Ministry Of Livestock and Fisheries Development, United Republic of as the Vice-Chairperson.

1. OPENING SESSION

1.1 Adoption of Draft Agenda and program

The agenda and programme were adopted without amendments as annexed (*Annex 2*).

1.2 Opening Remarks

Opening Remarks by the Chairperson of the LVFO Council of Ministers

The Chairman of LVFO Council of Ministers Hon. Tress Bucyanayandi (MP) on behalf of Uganda welcomed everybody to the meeting. He congratulated Mr. Felix Koskei upon his appointment to office of Cabinet Secretary, Ministry of Agriculture, Livestock and Fisheries, Republic of Kenya, responsible for fisheries. He expressed his condolences to the Kenyans for what happened at West Gate Maul.

He noted that LVFO is mandated to hold meetings to review council decisions and approve budgets and the last meeting was in 2010. He recognized the support of Development Partners especially the EU which has continued to provide support. He expressed the need for Partner states to work together and manage fisheries resources. Uganda is now collecting a levy with effect from this Financial Year and is committed to fight illegalities and trade in immature fish. He observed that Partner States approved US\$ 1.8 million for OSNP but not all has been paid. However he pledged that Uganda is committed to pay.

He noted that Uganda is going to implement stringent measures like introduction of Vessel Identification Plates for fishing boats and establishment of fisheries police to improve fisheries control. He recommended Kenya for the innovative stimulus program in supporting small-scale fish farmers which has resulted into increased aquaculture production up to 20,000 metric tons of fish in one year.

He observed that LVFO under IFMP registered gains in IFMP project made commendable achievements in the area of co-management, institutional and human capacity building; harmonization of regional legislations and policy measures such as fishery specific licensing; generation of information for fisheries management through resource monitoring; and infrastructure development. He expressed the need to sustain the efforts gained during the project.

He wished the delegates fruitful deliberations.

Remarks by the Host – United Republic of Tanzania

The Vice-Chairperson, LVFO Council of Ministers, Hon. Benedict Nangoro (MP) thanked everybody on behalf of Tanzania. He thanked his Colleagues for finding time to attend the meeting. He registered condolences of what happened at West Gate Maul where many people died and property destroyed. He also thanked LVFO and EAC for the preparation of the meeting and good reports prepared. Lake Victoria is facing challenges; uncontrolled fishing post-harvest losses, declining biodiversity in the lake. There is need to address the current challenge of illegal cross-border trade which has resulted into economic losses.

He expressed the need for Partner States to work together to overcome the challenges and to re-evaluate what has been done especially agreed measures. He noted that Lake Victoria is a single ecosystem and the approach should focus on the whole lake. He noted the need to strengthen MCS, need to have regular research and collect data to monitor trends.

In conclusion, he appealed to Partner States to remain committed in fisheries management and to provide support to the Secretariat. He reminded the Secretariat to perform their role of coordination but work with experts in the region.

Remarks by Executive Secretary, LVFO

The Executive Secretary, LVFO welcomed everybody to Arusha and thanked them for attending the meeting at short notice. He thanked the Chairperson Council for appointing him and his Deputy Executive to the LVFO leadership.

He noted that LVFO is now mature as it started with Kenya as Chair and again Kenya is now the Chair. He thanked the EAC especially the Secretary General and his staff for the venue and arrangements. He informed Delegates that the EAC council meeting is planned on 28th November 2013 and expects Decisions from the LVFO Council meeting. He made a commitment that LVFO has got a new team and expects to have a positive change within one year.

He wished everybody fruitful deliberations.

Election of the LVFO CoM Chairperson and Vice Chairperson

Hon. Felix Koskei Cabinet Secretary of Agriculture, Livestock and Fisheries, Kenya was elected Chairperson, LVFO Council of Ministers and Hon. Benedict Ole Nangoro (MP), Deputy Minister of Livestock and Fisheries Development, Tanzania, as Vice Chair.



2. STATUS OF IMPLEMENTATION OF DECISIONS AND DIRECTIVES OF THE COUNCIL OF MINISTERS AND OTHER ACTIVITIES

2.1 Summary of the status of implementation of decisions and directives (Annex 3)

2.1.1. Operation Save Nile perch

Following the directive *LVFO/CD10/SS2.1* of the 5th Special Session of the LVFO Council held in May 2010 at Munyonyo, Kampala Uganda, which urged the Partner States to fulfil their respective pledges, a total of US\$1,196,079.98 has been collected to-date (Annex 1: Item 1). The implementation Plan of 14 days for the OSNP which had been prepared by the Regional Working Group is to be re-planned considering the time lapse since the decision was made. The PSC recommended the payments of balances to be made by June, 2014. In the meantime, the Partner States are requested to continue with MCS activities at National Levels to intensify curbing of illegalities especially the catching of immature fish.

2.1.2. Fisheries Management

Partner States reported progress on implementation of Council Decisions with funding from national and donor support. However, effective implementation was constrained by limited resources both human and financial.

The Fish Processors Associations continued with regional and national initiatives on self-monitoring. However, there are concerns on the continued capture and trade in immature fish because of insufficient Monitoring, Control and Surveillances (MCS) by Partner States due to financial constraints.

2.1.3. Coordination by LVFO Secretariat between the years 2010 and 2013

LVFO Secretariat coordinated regional activities including trainings which were conducted on MCS, Illegal trade and Aquaculture development for BMUs and various categories of officers with support from ACP-Fish II. Other activities included Catch Assessment Survey (CAS) conducted in September 2011 with support from EAC Partnership Fund, Frame Survey (FS) with support from LVEMP II Project, Hydro-acoustic Survey and Stock Assessment which were conducted in September/October 2011 with support from EAC Partnership Fund.

Action: The CoM:

- I. Noted the progress of implementation of previous Council Decisions;*
- II. Thanked Development Partners for supporting LVFO activities;*
- III. Requested Partner States to intensify activities to curb catching and trading in immature fish; and*
- IV. Reminded Partner States to pay the remaining balances towards Operationalization of OSNP by June 2014 and use the funds to implement a re-planned strategy.*

3. IMPLEMENTATION OF CORE PROGRAMMES OF LVFO AND PROJECTS

3.1 Resource monitoring

The Fisheries Management Plan for Lake Victoria presents the required frequencies of the resource monitoring surveys to provide and update the indicators for management of the resources. Catch Assessment Surveys (CASS) and Hydro-acoustic Surveys are planned twice in a year, Frame Surveys once in two years and Stock Assessment should follow the hydro-acoustic surveys to provide a synthesis of the status of the fisheries resources and impacts of the agreed management measures. During the period of reporting, CAS and Hydro-acoustic surveys were not conducted in 2010, 2012 and 2013 because of lack of funds. Only one survey for each of the years of 2009 and 2011 were conducted with support from EAC- Partnership funds. Such data gaps have left uncertainties for proper guidance to management measures in what is happening in the resource base and how the resources are responding to exploitation.

With support from LVEMP II Project, the Frame Surveys for 2010 and 2012 were conducted. While the results of 2010 recorded a general decline in effort and illegalities, the results of 2012 showed increase in effort and illegalities, with monofilament recording 114% increment.

3.2. Fisheries Management

SMART FISH project provided support for five Regional MCS trainings while ACP Fish II conducted three trainings for BMU leadership, operations and fish handling between January and May 2011. The project also funded a regional training workshop on reducing illegal fish trade around Lake Victoria and consultancy to explore ways of involvement of Revenue Authorities in curbing trade in illegal gears and fish trade. The study recommended amendment of EA Customs Management Act Schedule 2 to empower Revenue Authorities to prohibit all import of monofilament gillnets; trade in Nile perch under 50cm; and require the National Competent Authority to issue clearance to Traders in gillnets, fish hooks and fishery products.

LVFO collaborated in implementing the EAC/AMREF Lake Victoria Partnership (EALP) programme which focused on Addressing Mobility-Induced Vulnerability and Gaps in Integrated Response to HIV/AIDS in the Lake Victoria Basin Region. The programme conducted a Sero-Behavioural Study to establish HIV prevalence status, behavioural risks and vulnerability aspects of the HIV&AIDS. The findings of the Study established high HIV prevalence in fishing communities, much higher than in the other mobile populations under the EALP studies. In Kenya, HIV prevalence in fishing communities was found to be 26.2% compared to national levels of 7.2% (2007) with females having prevalence levels at 28.2% and males 24.7%. In Tanzania it was 7.6% with females at 11% and males at 6.3%; while in Uganda, it was 22% with females at 25% and males at 21% HIV Prevalence.

3.3. Aquaculture

A regional training on promoting commercial aquaculture management and

development was conducted through support from ACP FISH II project. It was observed that, there is urgent need to develop and harmonize guidelines for the development of cage culture on Lake Victoria; set up regional standards for fish feeds manufactured and Competent Authorities to avoid the importation of alien species which can escape to natural water bodies and cause ecological hazards. There is need to establish the current Status (no. of cages, productivity, pollution, and Impact of cage culture on Lake Victoria) before developing guidelines. The Secretariat should coordinate the compilation of the status and submit to the LVFO Executive Committee within two months for consideration.

3.4. Data and Information Management

LVFO Website was revamped with online interaction tools with support from ACP FISH II. *The African Journal of Tropical Hydrobiology and Fisheries*, Volume 13 was finalized and uploaded online. However, publication of the journal has been very inconsistent and LVFO Secretariat was directed to ensure there is an editorial board and engage regional scientists in the review process.

Action: The CoM:

- I. Requested Partner States to budget for Resources Monitoring activities (Catch Assessment Survey, Frame Survey, Hydro-acoustics) to improve the information base on fisheries management;*
- II. Directed LVFO Secretariat to keep reminding Partner States of planned regional activities and required funds;*
- III. Directed Directors of Fisheries hold consultations with Partner States Revenues Authorities on issues of importation of monofilaments , illegal gears and Import/Export of immature fish; and*
- IV. Directed LVFO Secretariat to produce a report on the status and impact of cage culture by March 2014.*



4. THE REVIEW AND UPDATE OF THE NILE PERCH FISHERIES MANAGEMENT PLAN (NPFMP)

The Nile Perch Fisheries Management Plan (NPFMP) for 2009 – 2014 was not fully implemented due to limited resources. LVFO Secretariat engaged a consultancy firm under ACP FISH II (EU – funded Project) to revise the Nile perch Fisheries Management Plan. The consultancy recommended a strategy to rebuild the stock biomass through closure of the Lake for 6 months (3 days a week) in a year. The validation meeting however, recommended enforcing the existing management measures for a two year period after which a closure can be instituted if recovery is not attained. The Stakeholders emphasized on intensifying MCS activities involving all key players, limiting of fishing effort to that of 2012 and implementation of species specific licensing. The PSC recommend that Partner States should put in place preventive measures, rules and regulations including networking with BMUs to prevent catching of immature fish. It was also observed that the Fisheries Management Plan for Lake Victoria (2008-2014) needs to be updated.

Action: The CoM requested Partner States to:

- I. Provide information on trends on catching and trading in immature fish;*
- II. Strengthen Monitoring Control and Surveillance to prevent catching of and trading in immature fish as well as preventing monofilament and other illegal gears from entering into the lake;*
- III. Implement Species specific licencing and LVFO Secretariat to coordinate the process;and*

5. SUSTAINABLE FUNDING FOR MANAGEMENT OF THE FISHERIES

Partner States are faced with a challenge of securing adequate financial resources to fund both National and Regional Fisheries Management, Research and Development activities and therefore the need to come up with sustainable funding mechanisms. LVFO should engage Partner States to include in their national budgets the core activities of regional nature.

5.1 Establishment of Fish Levy Trust Fund (FLTF)

The fish export levy is intended to provide funding to support activities of critical importance to the fishery. Under Lake Victoria Fisheries Management Plan Project I (LVEMP I), support was provided for Partners States to follow-up establishment of a Fish Levy Trust Fund and more support has been provided in LVEMP II. The Partners States are at different levels in the process of establishing the Trust Fund.

The LVFO Secretariat needs to coordinate the process of establishing the Fund. LVEMP II has funds which will be used to support the process.

5.2 Program for support to LVFO

The LVFO Secretariat with support from the EAC Secretariat Resource Mobilization Unit developed a program to source for funding to effectively manage the fisheries of Lake Victoria and develop aquaculture in the basin. The program has seven main

components which cut across the different thematic areas under the overall mandate of the Organization. The components are:

- (i) Strengthening LVFO Institution to effectively undertake its regional Coordination role; the component includes Updating the LVFO Strategic Vision 1999-2015;
- (ii) Support to sustainable Management of the Fisheries Resources of Lake Victoria; it includes MCS activities, Resource monitoring surveys; strengthening of co-management institutions and harmonization of policies;
- (iii) Support to Aquaculture Development in Lake Victoria Basin;
- (iv) Support LVFO/EAC implementation of official controls for originating fish and fishery products to facilitate trade;
- (v) Support fishing communities towards reducing the risks and vulnerabilities to HIV/Aids;
- (vi) Support to promotion of dagaa for human consumption;
- (vii) Support to strengthening co-operation between cross-border fisher communities;
- (viii) Support to Services for an enhanced information Management and Knowledge Sharing to improve Fisheries and Aquaculture Development; includes measure to strengthen the AJTHF;

The Secretariat submitted the programme through EAC for possible funding under the 11th European Development Fund (EDF) and also looking for other sources of funding.

The PSC took note of the projects developed and directed that the proposals be shared with Partner States for quality assurance and organize a donor conference for Lake Victoria.

Action: The CoM:

- I. Directed LVFO Secretariat to organize a donor meeting to mobilize resources to support Fisheries Management in the Lake;**
- II. Approved LVFO support programme and directed LVFO Secretariat to communicate this to the Secretary General of EAC to prioritize fisheries when sourcing for funding; and**
- III. Requested Partner States to expedite the process to set up and operationalize the Fish Levy Trust Fund by June 2014 and LVFO Secretariat to coordinate the process.**

6. LVFO MAINSTREAMING INTO EAC STRUCTURES

6.1 Mainstreaming LVFO operations into EAC

The 12th Ordinary Summit of Heads of State communiqué of 3rd December 2010 - Item 25 (**Annex II**) directed that in the process of undertaking a comprehensive review and amendments of the EAC Treaty, consideration be given to the need to mainstream the LVFO within the Community in order to realize efficient control and accountability. The Secretariat has embarked on the process of mainstreaming as following:

- i. The EAC Audit Commission recommended that LVFO harmonises with the EAC

- Accounting system. A team from EAC Secretariat trained the LVFO staff in October 2013 on the required Chart of Accounts of the Sun Accounting system. LVFO is expected to start applying the system in July 2014.
- ii. The EAC Institutions are required to sign Performance Contract with Secretary General of EAC with effect from 2013/2014. LVFO has complied
 - iii. EAC Audit Commission's report of FY 2011/12 recommended to EAC Council to urge Partner States to fully honour their outstanding obligations (Country Contributions) by December 2013
 - iv. The EAC Council of Ministers in their 27th Meeting of 21st August 2013, Arusha Tanzania indicated the need to strengthen LVFO and 'Revitalization of LVFO' was included as one of the EAC key priority interventions to be implemented FY 2014/15.
 - v. Mainstreaming to EAC requires LVFO attendance of EAC meetings (Council, planning, budgeting, Audit, Finance and Administration, EALA, etc) which were not foreseen during the request for increase in Country Contributions during the 7th Regular Session of LVFO Council meeting of February 2009.
 - vi. LVFO Secretariat has requested future funding to LVFO to be channelled through the Ministries of East African Community Affairs in the respective Partner States as it is with other Institutions of EAC

6.2. Incorporation of Rwanda and Burundi into LVFO

The LVFO Council of Ministers, in its 7th regular session meeting considered the recommendations of the broader Functional Analysis study conducted in 2008 and deferred the admission of Rwanda and Burundi as full members of LVFO (*LVFO/Council 09/SS3 i*).

The Council of Ministers of EAC sitting in Bujumbura from 24th – 26th Nov. 2011, (*Ref: EAC/COM24/2011*) took note of the need for the integration of Republic of Burundi and Republic of Rwanda in the LVFO operations (*Ref: EAC/COM24/Decision 96*).

Following other directives of the 12th Ordinary Summit of Heads of State communiqué of 3rd December 2010 - Item 25 to mainstream LVFO into EAC, it is recommended that LVFO consider accommodating Rwanda and Burundi and therefore taking the necessary steps to amend the Convention as provided for in *Article XXI*.

6.3. Broadening the scope and mandate

In order to ensure that LVFO is fully mainstreamed into the EAC, the need to broaden the scope and mandate of LVFO was foreseen by the EAC and hence commissioned the study with support from RISP/EAC. The consultant, through consultation with stakeholders in the three partner states prepared a draft report which is awaiting validation. The PSC noted that the extended scope and mandate of LVFO should focus on fisheries activities.

Actions: The CoM:

- I. Recommended to Partner States to seek amendment of the convention as provided under article XXI of the convention establishing the LVFO to allow the admission of Rwanda and Burundi;*
- II. Noted the financial implications in mainstreaming of LVFO into EAC;*
- III. Recommended that Country Contributions for LVFO be paid by the Ministries of East African Community Affairs in the respective Member States;*

7. STATUS OF LVFO FINANCES

7.1. Country Contributions

The status of country contributions as at 12th November 2013 is presented in **Table I** below:

| No. | State/Country | Contributions Outstanding (2010-2013) (US\$) | Contributions due (2013/2014) (US\$) | Total Contributions due (2010-2014) (US\$) | Contributions received (2013/2014) (US\$) | Outstanding Balances to-date (US\$) |
|------------|-----------------------------|---|---|---|--|--|
| 1 | Republic of Kenya | 159,407.17 | 270,050.00 | 429,457.17 | - | 429,457.17 |
| 2 | United Republic of Tanzania | 346,333.82 | 270,050.00 | 616,383.82 | - | 616,383.82 |
| 3 | Republic of Uganda | 389,482.56 | 270,050.00 | 548,070.11 | 111,462.45 | 548,070.11 |
| | Total | 895,223.55 | 810,150.00 | 1,593,911.10 | 111,462.45 | 1,593,911.10 |

7.2. Status of Operation Save the Nile Perch (OSNP)

The status of payments for the OSNP from the Partner States is presented in Table III below.

Table III: Status of Payment of 'Operation Save Nile Perch'

| No. | Country | Partner States Obligations | Contributions to Date | Balance owing to Date |
|-----|-----------------------------|----------------------------|-----------------------|-----------------------|
| 1 | Republic of Kenya | 600,000.00 | 570,907.00 | 29,093.00 |
| 2 | United Republic of Tanzania | 600,000.00 | 185,013.00 | 414,987.00 |
| 3 | Republic of Uganda | 600,000.00 | 440,159.98 | 159,840.02 |
| | Total | 1,800,000.00 | 1,196,079.98 | 603,920.02 |

The PSC advised the LVFO Secretariat to explore different sources of funding to save the organization from financial deficits.

Action: The CoM:

- I. Commended the Republic of Kenya for the timely payment for OSNP;*
- II. Noted the outstanding balance (US\$ 1,593,911.10) of Country Contributions;*
- III. Requested Partner States to pay outstanding balances; and*
- IV. Directed the LVFO Secretariat to work with the LVFO Management Committee to produce an updated strategy for the Nile Perch Fisheries Management Plan (NPFMP)*

8. STAFF MATTERS

8.1. Appointments and renewal of contracts

8.1.1. Appointment of the Executive Secretary and Deputy Executive Secretary

The contracts of the previous Executives ended on 30th April 2013 and 30th June 2013 for the Deputy Executive Secretary Mr Mathias Wafula and the Executive Secretary Mr Dick Nyeko, respectively. According to the adopted Policy of rotation the current Executive Secretary was appointed from the Republic of Kenya and the Deputy Executive Secretary from the United Republic of Tanzania. The current Executive Secretary Mr Godfrey Monor and the Deputy Executive Secretary Dr Oliva C. Mkumbo took office on 1st September 2013 and 1st August 2013 respectively for a period of five years non-renewable.

8.1.2 Appointment of Professional Staff

In accordance to Rule 6.2 of the Staff Rules and Regulations, new staffs were appointed, following the expiry of the terms for the previous office holders. Dr. Rhoda Tumwebaze was appointed as the new Senior Fisheries Management Officer, replacing Mrs. Mukasa who retired on 30th September 2011 and Ms. Susan Serwadda

was appointed as the new Finance and Administrative Officer, replacing Mr. Norbert Kiyizi who retired on 31st May 2013. The position of Senior Scientist which was left vacant after Dr Oliva C. Mkumbo was appointed the DES is soon to be advertised.

The positions of Database Administrator and Internal Auditor are very critical for the smooth operations of LVFO Secretariat. The budget for FY 2014/2015 includes these two positions.

8.1.3 Consideration of Contracts for Professional Staff

Under the Staff Rules and Regulations, Rule 14.4 requires staffs who are appointed for a specific term to be in the service of the Organisation for five years and renewable where there has been satisfactory performance.

The Contract of the LVFO Information and Database Officer; Mr Samson Abura ended on 3rd July, 2013. Performance appraisal was done and found satisfactory. The contract was extended awaiting the approval by the LVFO CoM. Due to his satisfactory performance; it is recommended that the contract be renewed for another term of three years.

Action: The CoM:

- I. Noted the changes in both the Executive and Professional positions;*
- II. Approved the renewal of the contract for the Information and Database Officer; and*
- III. Directed LVFO Secretariat to recruit an Internal Auditor this financial year and Database Administrator when funds are available.*

8.2 The Cost Centres and Grades

8.2.1 Establishment of Cost Centres

From FY 2012-2013, the organization followed the EAC budgeting system (Medium Term Expenditure Frame Work – MTEF) and was given a vote head No. 6 from EALA based on advice from fiduciary risk management report from the East African Audit Commission. The MTEF budget is based on cost Centres.

The Cost Centres for the LVFO as required are shown in Table IV below:

Table IV: The Cost Centres of the Organization and their core activities

| SN | Cost Centres | Core Activities |
|----|---|--|
| 1 | Office of the Executive Secretary | Fostering cooperation among contracting parties, harmonizing national measures for sustainable utilization of the living resources of the water bodies and to develop and adopt conservation and management measures within the East African Community Partner States. |
| 2 | Office of the Deputy Executive Secretary | Development and coordination of the organizations' programmes and projects. |
| 3 | Fisheries Management and Development | Promotion of proper management and optimum utilization of fisheries and other resources of the lake. |
| 4 | Fisheries Research and Monitoring | Provision of sound scientific information for sustainable management of the fisheries resources through resources monitoring/ research programmes. |
| 5 | Aquaculture | Promotion and coordination of the development of commercial aquaculture. |
| 6 | Fish Quality Assurance and Marketing | Coordination and promotion of Quality assurance, product development and implementation of official controls for originating fish and fishery products to facilitate trade. |
| 7 | Information and Communications Technology | Improvement of Information Management and Knowledge Sharing for Capture Fisheries and Aquaculture Development |
| 8 | Finance and Administration | Support to Institutional Governance, Management, Operational Framework and Institutional Sustainability |

8.2.2. Realignment of Grading Scale to that of EAC Secretariat

With effect from FY2014-2015, all EAC Organs and Institutions are required to report their financial operations using the Sun Accounting System. One of the areas which will require harmonization is the salary grading scale. The grading scale of the heads of Departments and Executives of EAC organs and institutions is slightly different from the one of the LVFO Secretariat and as a result it required to be adjusted accordingly as given in Table V. The adjustments are for harmonization purposes only and have no financial implications.

Table V. Grade Scales for the Organization

| SN | Position | Current Grade LVFO | Proposed Grade LVFO | Current Grade for EAC |
|----|----------------------------|--------------------|---------------------|-----------------------|
| 1 | Secretary General | | | D1 |
| 2 | Deputy Secretary General | | | D2 |
| 3 | Executive Secretary | D1 | D2 | |
| 4 | Deputy Executive Secretary | D2 | D3 | |
| 5 | Director | | | P5 |
| 6 | Director | P3 | P4 | P4 |
| 7 | Principal Officer | P2 | P3 | P3 |
| 8 | Senior Officer | P1 | P2 | P2 |
| 9 | Professional Staff | | P1 | P1 |
| 10 | Senior General Staff | G5 | G5 | G5 |
| 11 | Senior General Staff | G4 | G4 | G4 |
| 12 | General Staff | G3 | G3 | G3 |
| 13 | General Staff | G2 | G2 | G2 |
| 14 | General Staff | G1 | G1 | G1 |

Action: The CoM:

Noted the alignment of LVFO Cost Centres to EAC Accounting System and the realignment of Grading Scale to that of EAC Secretariat

9. THE BUDGET

At its sitting on 28th May 2010 of Speke Resort Munyonyo, Kampala Uganda, the Council of Ministers approved the increase in Country Contribution for each partner state from US\$257,000.00 to US\$320,000.00 for the FY 2012/2013. However, the budgets for FY2012/2013 and FY2013/2014 were prepared at US\$270,050 per Partner State. The Summaries of the budgets is presented in Table VI and detailed budget in **annex IV**:

Table VI: Summary of the Budgets for FY 2012/2013 and 2013/2014

| Income/Expenditure | 2012/2013 | 2013/2014 |
|------------------------------------|---------------------|---------------------|
| Recurrent | 810,050.00 | 810,050.00 |
| Development Programmes (projected) | 2,392,891.00 | 2,392,891.00 |
| Totals | 3,202,941.00 | 3,202,941.00 |

Given the increased operational costs (the maintenance costs of the new building, new approved staff, increased activities with mainstreaming to EAC, etc.), the Organization cannot operate on the above budget.

The PSC is presenting a projected budget for the FY 2014/2015 based on approved country contribution of US\$ 320,000 per Partner State as indicated in **Annex V** and summarised in Table VII below:

Table VII: Summary of the Budgets for FY 2014/2015

| Income/Expenditure | 2014/2015 |
|------------------------------------|---------------------|
| Recurrent | 960,000.00 |
| Development Programmes (projected) | 2,392,891.00 |
| Totals | 3,352,891.00 |

The Council of Ministers considered the budget of LVFO Secretariat for FY2012/2013 and FY 2013/2014 and directed the LVFO Secretariat to prepare budget performance reports to be accompanied with Audit Report FY 2012-2013 to the next session of LVFO Council of Ministers.

Action: The CoM:

- I. Retrospectively approved the LVFO budget of FY2012/2013 and FY 2013/2014 subject to the presentation of the audit report; and*
- II. Approved the LVFO budget for FY 2014/201; and*
- III. Approved 5% increase in Country Contribution annually.*

10. DATES AND VENUE FOR THE 9TH REGULATION SESSION OF THE LVFO COUNCIL OF MINISTERS

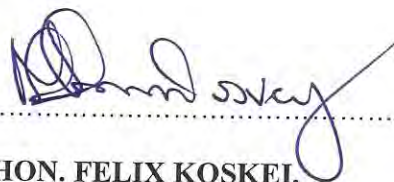
The LVFO Council of Minister recommend that the 9th Regulation Session of the Council of Minister to be held in Kenya in November, 2015, exact date and venue to be communicated later.

The Council of Ministers of LVFO directed the Secretariat to consult with the Republic of Uganda to organize a function to inaugurate the LVFO Headquarters.

11. ADOPTION OF THE REPORT OF THE 8TH LVFO COUNCIL OF MINISTERS

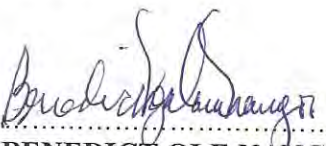
The report of the 8th Regular Session of the LVFO Council of Ministers was adopted at the EAC Secretariat, Arusha; United Republic of Tanzania on 13th November 2013.

Chairperson, LVFO Council of Ministers.....



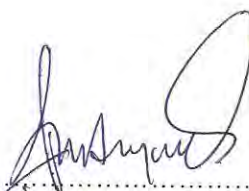
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Vice Chairperson, LVFO Council of Ministers



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