Assessment of Revenue Collection in Malawi's Small-Scale Fisheries: A Case Study of Mangochi District

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INTRODUCTION

- In Malawi, the fisheries sector plays a significant role in livelihoods, food security, and economic growth
- However, the sector lacks adequate funding and generates low revenue from small-scale fisheries.
- Mangochi's fisheries revenue collection is substantially below its potential, even though the district has the highest population of small-scale fishers.
- This study aims to evaluate the current revenue collection system and understand the opportunities and challenges affecting its efficiency.
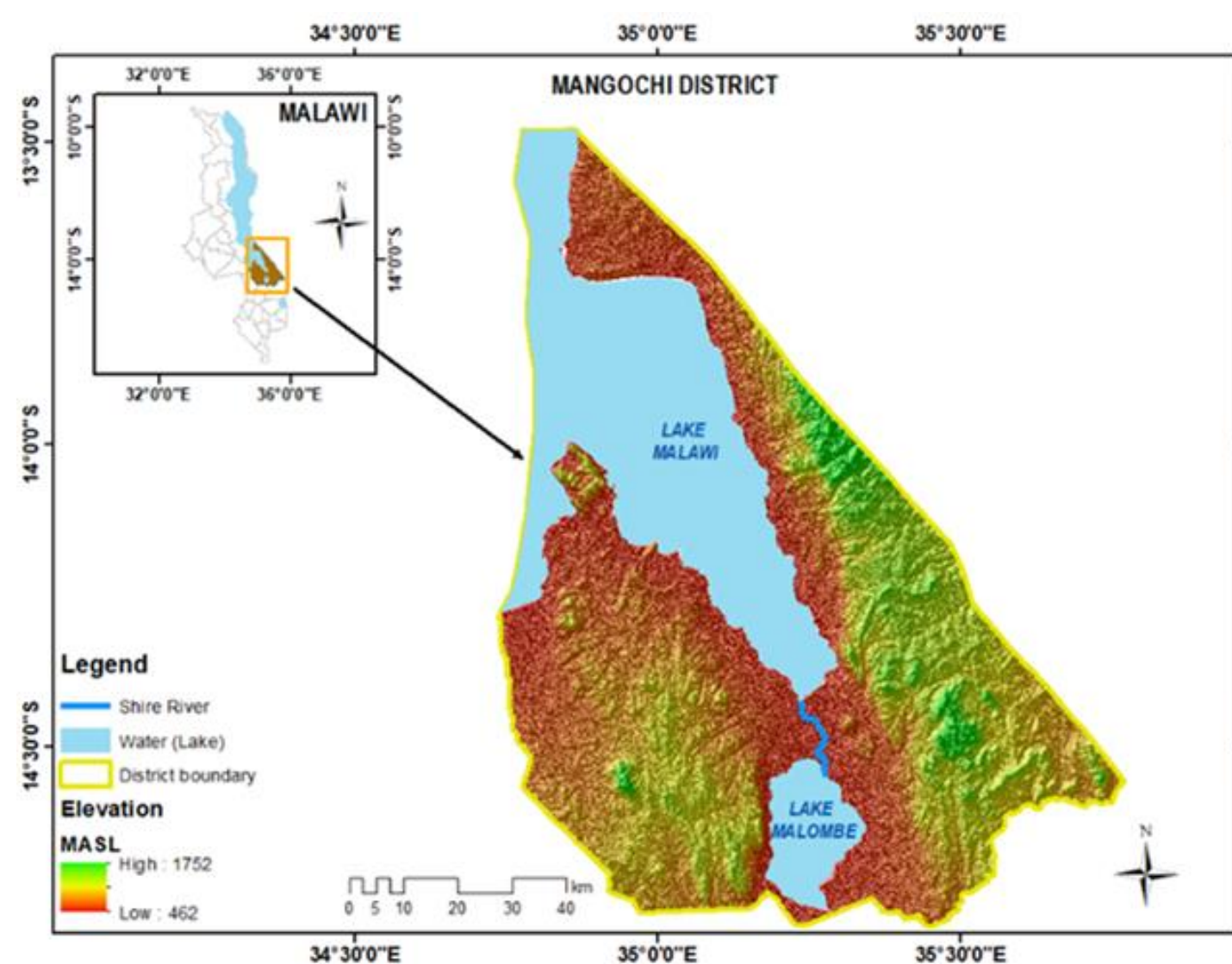

Figure 1: Study area map

OBJECTIVES

1. To assess the effectiveness of the current revenue collection mechanism in small-scale fisheries in Mangochi District.
2. To determine the potential and actual revenue collected from small-scale fisheries.
3. To quantify the impact of enforcement on the revenue collection in small-scale fisheries.

METHODOLOGY

The research employed a mixed methods design

- Secondary data were sourced from the Department of Fisheries, including revenue collection records, fishing gear usage, fish catch data.
- Primary data were collected through key informant interviews and observations.
- Qualitative data analysis involved thematic analysis using NVivo 14 and SWOT analysis.
- Quantitative data analysis was conducted using descriptive statistics in MS-Excel 2015.
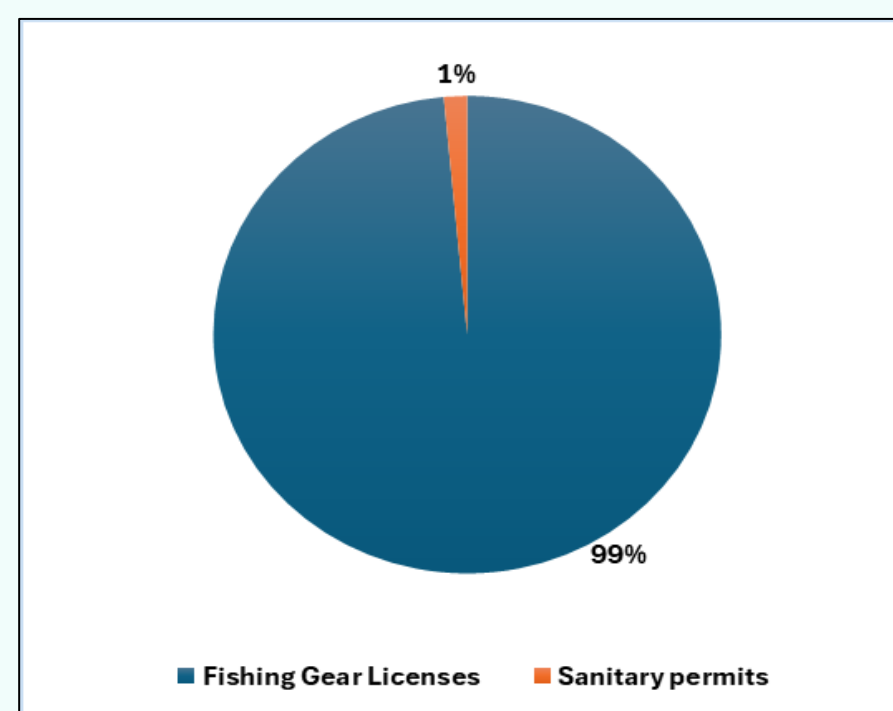
RESULTS

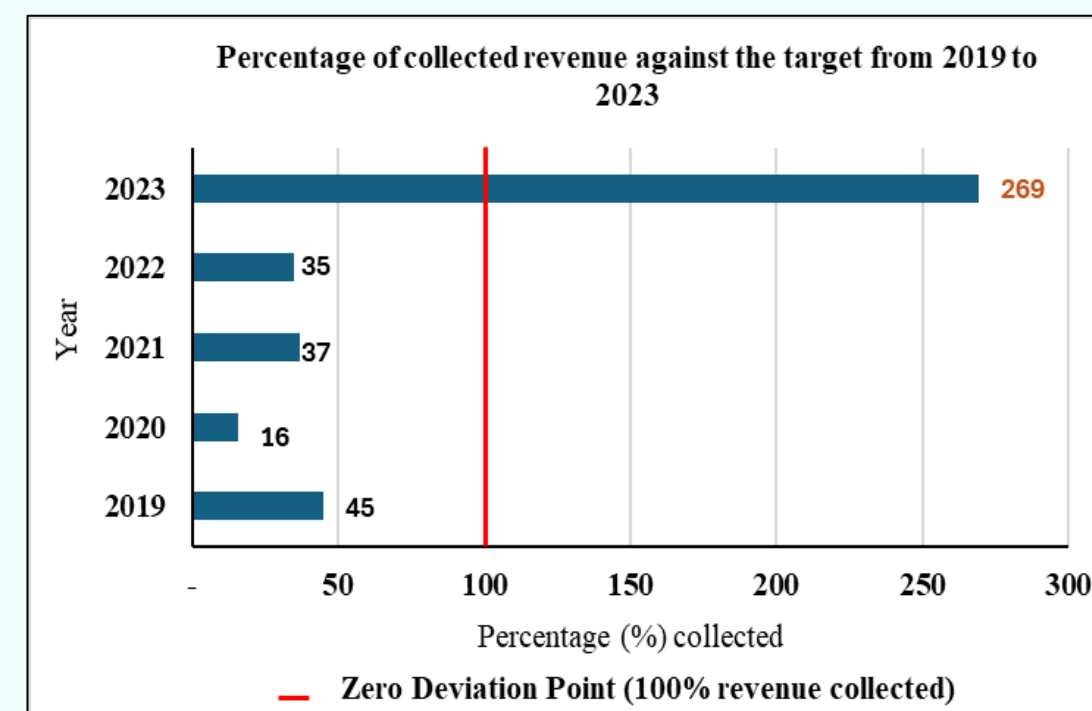**Figure 2**: Revenue source contribution (2014-23)

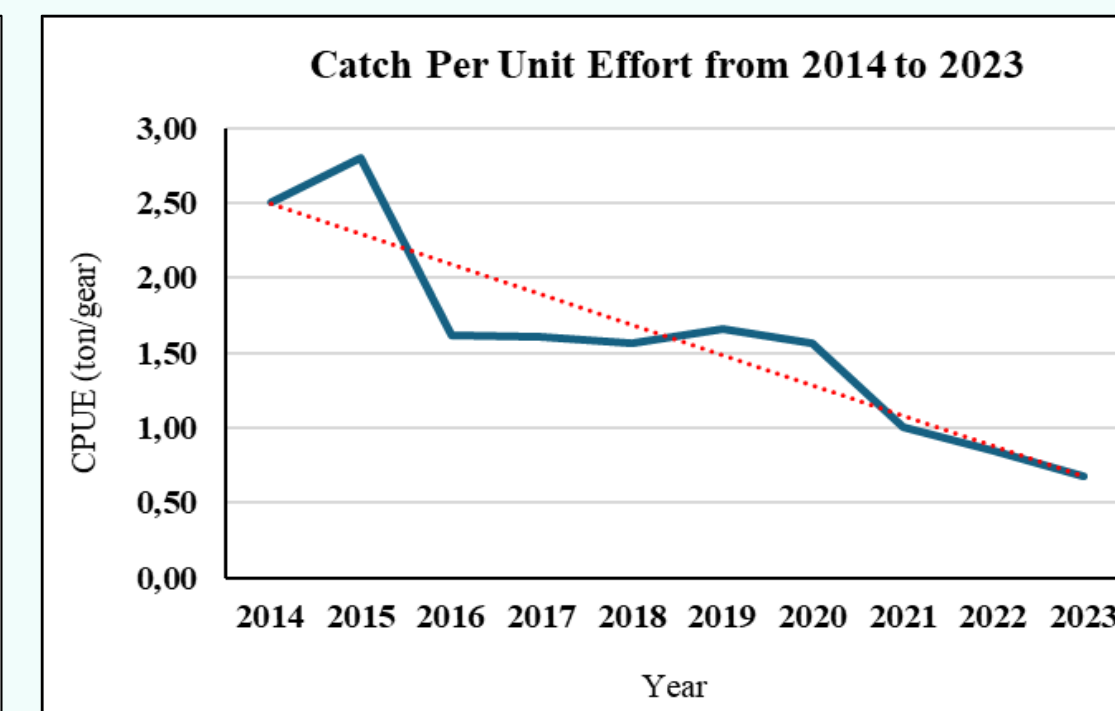**Figure 3**: Revenue collection performance (2019-23)

Figure 4: CPUE (ton/gear) trend in Mangochi (2014-23)

Fig. 2: Shows revenue single-source dominance and vulnerability, making the collection system acutely susceptible to fluctuations.

Fig. 3: Reveals a concerning trend of significant underachievement. However, an exceptional achievement in 2023 (269%) indicates the potential to collect more revenue if proper measures such as increased enforcement efforts are implemented.

Fig. 4: Shows that an escalation of illegal fishing gears contributes significantly to the decline in fish populations and economic losses.

Figure 5: Themes from thematic analysis

Fig. 5: Explored key characteristics of the revenue collection mechanism:
Theme #1: Limited decentralization of the sector at DC; other potential revenue streams include district user fees and renting out facilities; inadequate licensing officers; poor record keeping.
Theme #2: Revenue set targets are very low compared to the number of small-scale fishers; under-declaration of fishing gear and widespread use of illegal gear lead to under-collection.
Theme #3: Inadequate funding for enforcement patrols; poverty, the rising costs of legal fishing gear, and cheap availability of illegal netting materials contribute to illegal fishing practices.
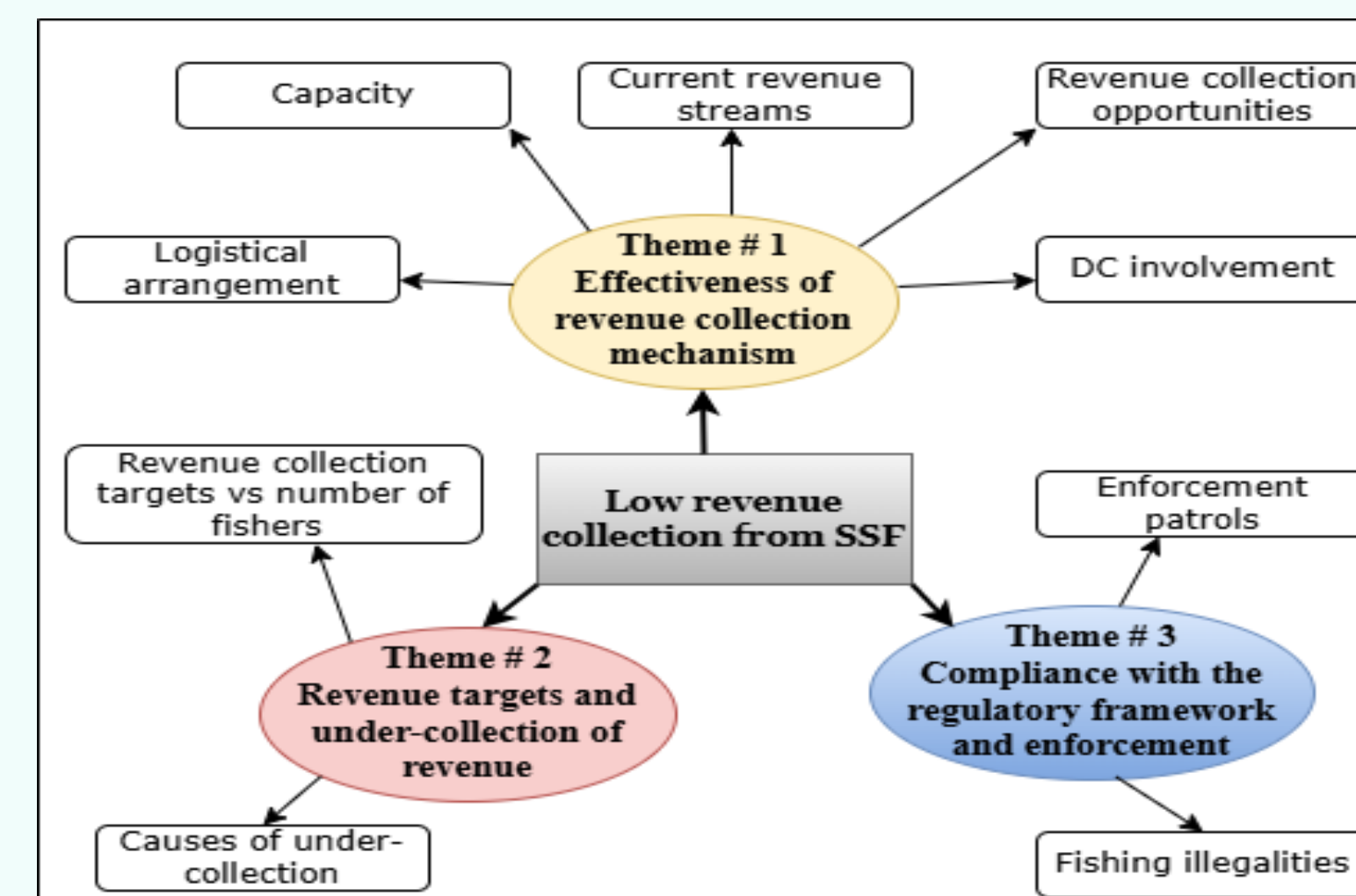
DISCUSSION

- Overdependence on fishing gear licensing makes the system highly vulnerable to financial instability, highlighting the need to explore other potential revenue avenues.
- Sustainable revenue collection for fisheries management therefore hinges on a two-pronged approach: robust enforcement and active community engagement.
- Resource constraints, ineffective enforcement, and limited involvement of DC collectively act as anchors, dragging down efficiency and effectiveness.
- The DoF is addressing the issue of illegal fishing gear escalation through increased stakeholder involvement.
- The small-scale fisheries sector has no mechanism of tracking entry and exit into the fishery, making traceability of illegalities and other useful data challenging.

RECOMMENDATIONS

- Diversify revenue streams and consider upward adjustment of license fees.
- Work with academic institutions or NGOs to conduct stock assessments and generate accurate data to inform policies that enhance revenue optimization.
- Integrate the revenue collection mechanism into existing revenue teams within DCs.
- Strengthen enforcement capabilities and facilitate stronger collaboration with stakeholders.
- Introduce e-payment systems for licenses, permits, and taxes to reduce revenue leakage.