Balancing the Scales: Profit, Power and Sustainability in Kenya's Fish Maw Trade

Nelly Kerebi Ondabu

Kenya Fisheries Service (KeFS), nellykerebi@gmail.com

Supervisors: Óttar Gautur Erlingsson: ottar.g.erlingsson@fiskistofa.is, Sæmundur Elíasson: saemundure@unak.is

INTRODUCTION

Trade in Nile perch swim bladder or maw, a highly priced by-product, is growing rapidly. However, this growth has brought unforeseen challenges.

The core issue lies in how the profits are shared, or rather not shared, fairly. Despite the high market value of maw, the benefits are not being shared equitably; upstream actors, in particular, receive disproportionately low compensation relative to the maw´s value.

Figure 1: Nile perch swim bladder/fish maw

The profit imbalance from inequitable sharing of profits has led to several emerging challenges:

- Overfishing pressure (targeting of oversize fish)
- Illegal practices (discards & illegal cross-border trade)
- Insecurity on the lake (Piracy)
- Economic underutilization caused by changes in supply chain dynamics

OBJECTIVES & METHODOLOGY

Objectives

- To assess how profits are distributed along the fish maw value chain
- To evaluate the socio-economic impacts of the current profit sharing model
- To propose strategies for fair, transparent, and sustainable profit sharing

Methodology

Study Area: Conducted in Suba North and Suba South sub-counties, key access points to Kenya's open waters of Lake Victoria.
Sampling Method: Proportional stratified sampling.

- Qualitative research using semi-structured interviews
- Latent-level thematic analysis

S/No	Value Chain Actor	Number of actors interviewed
1.	Fishermen	11
2.	Boat Owners	11
3.	Fish agent	2
4.	Maw agent	3
5.	Fish processing facility	3
Total		30

Table 1: Sampling strategy

RESULTS & DISCUSSION

Renumeration of Upstream Actors

The industry is marred by lack of information especially among upstream actors, the flow of information is cut off deliberately to keep primary actors uninformed and vulnerable to exploitation.

Despite an increase in fish prices due to the fish maw trade, the earnings of upstream actors remain minimal.

Table 2: Prices for Whole Nile perch

S/No	Size	Weight (Kgs)	Average price (Ksh) (Before fish maw trade)	Average Price (Ksh) (After fish maw trade)
1.	Small	1-5kgs	250	350
2.	Medium	5-8kgs	280	450
3.	Large	9kgs and above	350	600

In 2006 the average earnings of a fisherman stood at Ksh 516 per day whereas in 2025 this stands at Ksh 750. If subjected to inflation over the years fishermen should be earning approximately Ksh 2400 per day. This begs the question, is the Nile perch industry in Kenya stagnant?

Table 3: Average earnings of upstream actors per day

S/No	VCA	Average Earnings (Ksh/day)
1.	Fishermen	500-1000
2.	Boat Owners	1500-3000

Economic Incentives for Upstream Actors

Upstream actors sell whole, ungutted fish, as gutted fish are seen as lower quality and sell for less. Therefore, fishers earn from fish maw based on fish size. Bigger fish mean larger maws and higher prices.

Size-based pricing drives the targeting of large, breeding Nile perch, leaving the resource saturated with immature fish. Maw-specific regulations and product classification are needed to ensure sustainability.

Figure 2: Illegal oversized Nile perch landing.

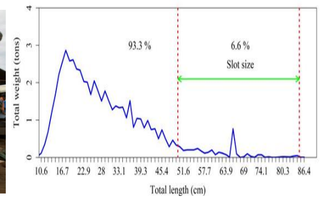

Figure 3: Size distribution of Nile perch to total biomass in L. Victoria

Price Determination & Power Dynamics

Fish maw prices are mostly controlled by Chinese-run processing facilities, with no local consumption to anchor domestic pricing. This allows processors to set prices arbitrarily, leading to frequently and unpredictable changes.

This leaves value chain actors confused and often disadvantaged by price swings. The price volatility caused by the lack of systemic structures then affects the entire Nile perch sector. Upstream actors face unstable earnings and rising costs, while processors struggle with sourcing challenges due to price instability. One dominant player appears to control sector dynamics.

Supply Chain Dynamics

The current system of allowing maw-only processing facilities has split the raw material supply between maw and Nile perch processing facilities.

Processing facilities now face raw material shortages as primary actors opt to gut fish for high-value maws, bypassing processors that require whole fish. Facilities designed for 15 tonnes/day now struggle with just 10 tonnes/week, limiting the industry's export potential.

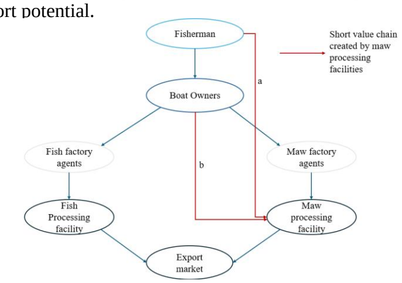

Figure 4: Suppy chain dynamics in the current system

Other Socio-economic Impacts

- Price volatility in the Nile perch sector
- Discards and illegal trade of maw across borders
- Insecurity and piracy in the lake

Strategies for Equitable Profit Sharing

- Regulate the fish maw by-product industry
- Government-led transparency systems
- Introduction of collective price agreements
- Registration of all fish maw traders
- Encourage localization of processing establishments
- Tax incentives & subsidies for traditional Nile perch processors
- Diversification of export markets to reduce dependency
- Formalize the fisheries sector as a long-term solution

CONCLUSION

- There is a need for all stakeholders to acknowledge the impacts the presence of a high value product in a vulnerable fishery can bring about and act on it from the onset
- There is also a need to acknowledge that the incentives given for upstream actors to earn from the fish maw are not sustainable for the resource but rather destructive
- When acknowledging the importance of the fish maw industry in the sector it is also important to acknowledge the importance of the Nile perch industry and the need to create a level playing field for these two co-dependent industries
- The need to acknowledge that the current structure in the Nile perch industry, through the creation of short value chains, enables profit leakage from the country
- The socio-economic imbalance as created by the current systems in place in the industry further exacerbates the issue that is the decline of the Nile perch fishery threatening its sustainability and long-term fishery health

RECOMMENDATIONS

The following recommendations aim to foster a more just, resilient and sustainable fishery sector;

- **Development of regulations:** There is a dire need for regulating the by-product industry factoring in the new uses of by-products
- **Information Gaps:** A call for stakeholder sensitization, capacity building, and transparent pricing systems
- **Unsustainable Incentives:** Size-based earnings drive targeting of large, breeding Nile perch. Maw-specific regulations and product classification are needed to protect resource sustainability
- **Industry Disruption:** Encourage differential taxation to provide a level playing field the two processing industries

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