LECTURE NOTE

ON

FISHERIES BUSINESS MANAGEMENT AND ECONOMICS (3 UNITS)

FIS 510

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Contents

Fish farm planning and organisation, Managing fish farms under commercial and peasant systems

Fish farm planning and organisation

Fish farm planning starts with an assessment of the natural conditions and other things that may support the fish farm venture, with a look at market situation of product in mind and if initial data found are promising a feasibility report is carried out.

During Planning process a constant evaluation of ideas and a revision of goals and methods in accordance and a revision of goals and methods in accordance with new information and changing circumstances are necessary if an is to be a useful tool to forecast the results of business operations.

- Feasibility
- Natural Environment
- Infrastructure

  Feasibility Study/Repots
- Variable cost
- Fixed cost
- Contribution margin
- Variable unit cost and
- break – even point

Definition of Management: is the active process of making decisions so that use of the available human and material resources of the organization is planed and controlled to achieve its long-and short-term aims most efficiently. It is neither art nor science; it is both.

Management in fisheries therefore begins with:

1. Planning what to do.

2. Organize who should do it and how it should be done

3. Coordinate and motivate subordinates to operate the plan.

4. Control the achievement of the plan. ◄ Feasibility report writing as part of planning process

The procedures involved in writing feasibility for a fish farm include:

1. Background and study term of reference: This procedure covers the management name of the client that is specified with the site of the project and commissioned by the consultant name to prepare feasibility report for a specified size of fish farm project based on detailed topographic survey and multivariate analysis of site factors.

2. The terms of reference (TOR) for the feasibility study will include:

- An appraisal of parameters that can assure the establishment of a commercial fish farm project at the client's site.

- An appraisal of fish production potential of the proposed site which can assure needed revenue benefit.

- An appraisal of the conditions under which the proposed fish farm project can be operated to fulfill the revenue objectives of client's farm project.

- The development of sustainable process by which needed protein intake can be provided to inhabitants particularly those in the area where the project is to be sited.

- The recommendation of some suitable management framework for fulfilling the goals for which the proposed fish farm project is being established.

Objectives of the study

Study justification

a. The derivation of revenue needed to execute other development options proposed alongside fish farm.

b. The production of fish and other farm products for the benefits of the inhabitants within the areas and beyond.

Study methodology

Scope of study

The scope will cover the appropriate fish farm techniques needed for a commercially viable project where attention will be paid to detailed considerations of fish demand and supply of the area where the project is sited.

Chapter Two

The Project

This is the project conception which involves:

The fish farm, number of ponds, size and types of ponds that are to be constructed is specified and the technicalities of siting are clearly stated.

Market Analysis

A brief description of market trends in disposing the fish products is done for the purpose of market outflow.

Management operations of the fish farm

The number of ponds with the fish stocking density is mentioned. The type of feed that will be used on sustainable basis is noted, water management, culture periods and provision of security to deter predators, saboteurs and poachers are stated.

Chapter Three

This chapter considers the environmental impact situation and its impact relevant in respect of the proposed fish farm project. The environmental issues to be considered include:

Land conservation, Precautions to be taken during land preparation, water conservation control, fertilizer/chemical usage, Public health issue which anchor on – disease vectors, toxic wastes, sewage discharge, predator, poachers, runoffs and fuel engine.

Chapter Four

This chapter covers:

The project management which considers fish farm operations and equipments necessary for the smooth running of the fish farm.

Chapter Five

Economic Analysis

This will involve the analysis of all the considered economic factors in the study (Return on capital, return on investment, return on equity, return on sales etc) that will lend credence to the viability of the project under good management. The values derived for acid test (0.5 – 2.0), current ratio over specified period are attest to the viability of the project.

Recommendation

This aspect captures the summary of the report and recommend to the respective investor the viability of the project based on the value of acid test.

Managing fish farms under commercial and peasant systems

Students will be exposed to management of fish farms using live examples of fish farms that have commercial and peasant status.