



Kenya Marine Fisheries Socioeconomic Development (KEMFSED) Project  
P.O. Box 58187-00200  
NAIROBI

MINISTRY OF MINING, BLUE ECONOMY AND MARITIME AFFAIRS  
STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES

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TERMS OF REFERENCE

FOR INDIVIDUAL CONSULTANT

CONTRACT TITLE: ASSESSMENT OF THE EXISTING BEACH  
MANAGEMENT UNIT (BMU) FINANCIAL SYSTEM AND PROVISION OF  
TECHNICAL SUPPORT FOR THE ESTABLISHMENT OF A SUSTAINABLE  
BMU FINANCIAL MANAGEMENT SYSTEM

PROJECT NAME: **KEMFSED**

Credit Number: IDA 65400

PROJECT NUMBER: P163980

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## 1. BACKGROUND

The Government of Kenya, through the State Department for Blue Economy and Fisheries (SDBE&F) and with support from the World Bank, is implementing the Kenya Marine Fisheries and Socio-Economic Development (KEMFSED) project, which aims at supporting the country in its efforts to leverage emerging opportunities in the Blue Economy. The development project's overall goal is to improve management of priority fisheries and mariculture and increase access to complementary livelihood activities in coastal communities. The KEMFSED project, which will be implemented in Kenya's coastal counties including Kwale, Mombasa, Kilifi, Tana River, and Lamu, will strengthen the management of fisheries that are priority to coastal livelihoods, thereby securing stocks at sustainable levels of harvesting. At the same time, the project will strengthen coastal households' access to complementary livelihood activities toward diversifying sources of household income to reduce dependence on capture fisheries. By better managing and conserving marine and inland water resources, reducing illegal fishing activity, and enhancing the value of the fish products in the value chains, the sector is expected to enhance its contribution to the overall economy.

The project is comprised of the following three components:

- a) **Component 1: Governance and Management of Marine Fisheries** will focus on improving the management of marine fisheries in Kenyan waters. In furtherance of the same PDO, fisheries governance interventions will be promoted through strengthened co-management of nearshore fisheries, and infrastructure development to support the management of fisheries at both the national and county levels.
- b) **Component 2: Coastal Community Empowerment and Livelihoods** will contribute to the PDO by strengthening livelihoods in coastal communities through a combination of technical and financial support for the implementation of livelihood, social welfare, and environmental subprojects; provision of scholarship grants and complementary capacity-building and mentoring of beneficiaries;
- c) **Component 3: Project Management** this Component will finance support for project management at both national and county levels to ensure coordinated and timely execution of project activities.

### Co-Management concept

The management and conservation of fisheries resources in Kenya was centralized until 2005, when a more collaborative, community-centred 'bottom-up' approach was introduced. The previous top-down approach had failed due to many challenges including low levels of compliance, ineffective control of utilization and unsustainable management and conservation of the fisheries resources.

In order to ensure participation of resource users in the management of the local fisheries and other marine resources and ensure compliance, the Government of Kenya developed National Beach Management Unit (BMU) Guidelines that were implemented from 2005. In 2007, the Fisheries (Beach Management Units) Regulations, 2007 were gazetted and started implementation.

Fisheries co-management is a partnership arrangement that shares responsibilities between the government and other stakeholders in the management of fisheries resources. In Kenya, in the context of nearshore fisheries resources, co-management responsibilities are primarily shared between county fisheries authorities and BMUs, with oversight by the National

Government (State Department for Blue Economy and Fisheries and Kenya Fisheries Service) on issues of policy, standardisation of approaches and procedures, performance standards and capacity-building whereas the Kenya Marine and Fisheries Research Institute (KMFRI) provides research and scientific advice to inform management. Other stakeholders such as the tourism and fisheries private sector are also partners in the co-management system. In Kenya, BMUs have been established to promote structured community participation in fisheries management. BMUs consist of fishers, fish traders, boat owners and other beach stakeholders who traditionally depend on fisheries activities for their livelihood.

Beach Management Units are mandated to sustainably manage fisheries resources in collaboration with the responsible institutions at county and national government level, and other relevant stakeholders within its co-management area (CMA) or Joint Co-management area (JCMA). This is done through the implementation of CMA/JCMA plan and enforcement of their approved By-laws.

For effective participation and collaboration in fisheries management, BMUs are also mandated to collect revenue and to ensure proper management of its finances and assets. Pursuant to section 37(2)(c) of the Fisheries Management and Development Act, 2016, and in line with published Regulations on the same, a BMU may, with the prior written approval of the County Director of Fisheries and the assembly, levy fees and charges in respect of the operation and management of the beach and its participation in co-management activities. The collected revenue is intended to finance implementation of approved Annual workplans and budgets which specify areas of expenditure that include, but are not limited to, executive committee functioning, data collection, surveillance and patrols, purchase of equipment and assets, etc.

For accountability and transparency on the management of finances, a BMU is expected to keep registers of members and fishing crafts as well as proper financial and assets records that include financial reports, bank transactions and meeting minutes.

With reference to the consultations done during the recently conducted fisheries situation analysis by JCMA consultants, it was found that BMUs are non-compliant to their financial mandate. Most BMUs were found not collecting revenue in the form of fees and charges and very few found collecting with improper financial record keeping and some with no Bank accounts.

To complement ongoing work financed by the KEMFSED project to develop and implement eight new joint co-management areas (JCMAs) along the Kenyan Indian Ocean coast, it has been recognized that BMU financial management capacity needs to be improved. Towards this, a thorough BMU financial assessment need to be done to shed light on the current status of BMU revenue collection and expenditure, to highlight existing challenges, and to make recommendation for improvement of a sustainable system that will be adopted by BMU.

## **2. OBJECTIVES OF THE ASSIGNMENT**

The overall objective of the task is to undertake an assessment of current Beach Management Unit (BMU) financial systems for BMUs along the Indian Ocean coast of Kenya, to analyse the sources and adequacy of current BMU revenue-raising and management, to understand the challenges BMUs face in this context, and to recommend improvements to achieve a sustainable financial management system to be adopted by BMUs.

### 3. SCOPE AND SPECIFIC TASKS OF THE ASSIGNMENT

The scope of the assignment include: To conduct an assessment on the existing BMU financial management system through literature review, BMU/stakeholder consultations, field survey/collection of field data, analysis and production of a report on the current financial management system status with recommendations to improved sustainable system for BMUs to adopt.

**The specific tasks of the assignment include:**

- 3.1. Undertake preliminary consultations with KEMFSED NPCU, SDBEF, KeFS, County Government fisheries Directorates, BMUs and other relevant stakeholders to ensure thorough and common understanding of the assignment, the agreed approach and way forward, and respective roles and responsibilities and to agree on approximately 24 representative BMUs to be selected for further analysis under this assignment, based on the list in Annex 1.
- 3.2. Prepare an Inception Report detailing: (i) proposed approach and methodology (iii) a detailed timeframe for implementation of all activities. Submit draft Inception Report to KEMFSED NPCU and SDBEF and revise in line with comments received.
- 3.3. Conduct a background literature review of relevant fisheries laws and regulations and any other relevant documentation to familiarize with the existing BMU revenue collection and management system including but not limited to:
  - (i) Fisheries Management & Development Act, 2016
  - (ii) The Fisheries (Beach Management Unit) Regulations, 2007 and the draft revised BMU Regulations 2021
  - (iii) Draft Marine Access Rights Regulations;
  - (iv) National Guidelines for the Formation of Fisheries Co-Management Areas (CMAs) in Kenya;
  - (v) BMU Financial Management Manual
  - (vi) Draft BMU standard operating procedures, 2023
  - (vii) Other relevant community guidelines or related publications for other community revenue collection systems in Kenya in the management of natural resources, agriculture and livestock development eg wildlife, forestry, water, crops, livestock etc.
  - (viii) Source and review other community revenue collection and management laws and guidelines or related lessons-learned publications from other relevant countries e.g. Tanzania where available in English, but not limited to:
    - Tanzania fisheries laws and regulations
    - MLF (2017) Guidelines for establishment of collaborative fisheries management areas (CFMAs) in coastal and marine waters of Tanzania
- 3.4. Familiarize with the functions of Fish Marketing Authority and the content of the draft National Fish marketing strategy in relation to the organization of fishers to fisher cooperatives for the orderly fish and fishery products marketing in Kenya. Document findings in relation to the impact on the existing BMU finances and revenue management;
- 3.5. Review the draft Fish Levy Trust Fund Regulations to understand the various proposed levies and fees that include access to fishing, fish and fish products levies to be imposed

to fisheries resource users in Kenya. Document findings in relation to the impact on the existing BMU finances and revenue management;

*3.6. Conduct an assessment of BMU financial systems for each BMU within an existing or newly established CMA or JCMA (see Annex A)* The assessment should be conducted in collaboration with KEMFSED NPCU, County fisheries Directorates and BMU executive committees within the JCMAs. The assessment should be based on both document review and interviews with key informants including:

- (i) *Kenya Fisheries Service (KeFS) staff* to understand what data (if any) on BMU revenues and financial systems is available at KeFS and obtain copies;
- (ii) *County fisheries directors and/or county finance departments* to obtain copies of records of BMU revenue data and/or expenditure reports submitted to counties; and to gather county officials' views on challenges faced, how BMU financial systems could be improved, and capacity needs at both county and BMU level;
- (iii) *JCMA Consultancy teams* to obtain copies of any BMU revenue and expenditure data already acquired to date under KEMFSED JCMA development consultancies;
- (iv) *Key BMU office bearers* from approximately 24 BMU Executive Committees members (Annex 2) selected from the list in Annex 1, especially including BMU Chairs, Secretaries and Treasurers to: (i) obtain all available BMU data and documentation from the past 5 years (2019-2023) including on BMU revenues (amounts & sources), BMU actual expenditures, annual budgets (BMUs consulted should be requested to prepare annual budget estimates if they don't have available), annual expenditure reports etc.; and (ii) to discuss challenges faced in revenue-raising financial management, assess financial capacity constraints (both human and material), and gather recommendations on improvements needed to procedures, capacity etc.;
- (v) *Former BMU office bearers from BMU Executive Committees* in the above-selected BMUs, to follow-up on the same content as outlined in (ii) above, in particular where current Executive Committee office bearers claim that past office bearers might still be in possession of relevant BMU data and records, and/or failed to keep such records (ie. to validate if true).
- (vi) *NGOs actively involved in supporting BMU development*, such as Northern Rangelands Trust/TNC in Pate Island/Kiunga; Oceans Alive in Kuruwitu; COMRED in Kwale, Wildwide Fund for Nature (WWF) in Kwale, Kilifi and Lamu , Wildlife Conservation Society (WCS) in Mkwiro etc.

*3.7. Prepare a BMU financial systems assessment report* detailing the methodology and results obtained from data collection outlined above, including:

- (i) outline of current BMU financial management system in Kenya, as per existing legal framework; it's strengths and weaknesses; and relevant best practices identified from other countries on sustainable community fisheries financial management;
- (ii) systematic presentation of available data on BMU revenues for 2019-23 from the 24 target BMUs, disaggregated to individual BMU-level and by revenue source, with additional analysis of data by geographic location and other relevant factors which might explain variations in revenue-raising performance between BMUs;
- (iii) systematic presentation and analysis of available data on BMU annual budget need and actual expenditure data along same lines as bullet point above;
- (iv) an analysis of the adequacy of BMU revenues over the past 5 years with reference to actual budget needs, including an analysis of any patterns and factors which might explain variations in BMU financial management performance, including

- geographic factors, proximity to urban or semi-urban environment, volume of fish landed, extend of external project support; capacity of BMU leaders and so on;
- (v) observations on the status of BMU financial (both revenue and expenditure) data recording and reporting at both BMU and county level; strengths and weaknesses; level of compliance with existing Regulations and standard operating procedures (SoPs); relevant human and material capacity constraints; and BMU leaders' and county officials' perceptions on the same;
- (vi) recommendations on how to improve best practice on the sustainable management of BMU finances.
- 3.8. Present the draft BMU financial systems assessment report to SDFABE, KeFS and County fisheries authorities in a seminar set up for comment, and make revisions;
- 3.9. Incorporate comments from the seminar and submit the final revised version of the BMU financial systems assessment report to NPCU;
- 3.10. Prepare a revised version of BMU standard operating procedures (SoPs) - section on BMU financial management of 2023 incorporating agreed recommendations contained in the BMU financial systems assessment report
- 3.11. In collaboration with KEMFSED NPCU, SDBEF and KeFS and County fisheries authorities, develop a sensitization and awareness plan and design sensitization materials aimed at raising awareness on the agreed BMU financial management system in Kenya, targeting relevant Government fisheries staff, BMU executive committees and assemblies.
- 3.12. Submit a draft version of the sensitization plan and draft sensitization materials to NPCU, SDBEF, KeFS and County fisheries authorities for comment and approvals
- 3.13. Submit a final version of the BMU financial systems assessment report, with the format below, annexing the revised BMU SoPs, the sensitization plan and draft sensitization materials to NPCU for further submission to CECM and DG KeFS for their implementation.
- Executive summary
  - Background to the assignment
  - Objective of the assignment
  - Methodology applied in the assessment including:
    - progress made (including detailed timeline of all activities & numbers of participants by gender) and outputs achieved as per Scope of Work in ToRs
    - Constraints encountered and how there were addressed
    - Results and findings as per section 3.7 above
    - Recommendations for best practices on sustainable BMU finance management
  - Annex containing revised version of existing BMU standard operating procedures (SoPs) of 2023 on financial management
  - Annex containing sensitization plan for BMU financial management Other appendices as appropriate (list of interviewees, photos etc.)

#### 4. DURATION AND LOCATION OF THE ASSIGNMENT

The assignment is expected to be executed and completed within **five (5) calendar months** from contract commencement date. It will be done in the approximately 24 selected BMUs within the existing and newly established JCMAs in the 5 coastal counties.

#### 5. REPORTING REQUIREMENTS AND TIMELINES OF DELIVERABLES

The technical supervision and approvals for this consulting services will be made by the National Project Coordinator through Component 1 coordinator. The consultant will provide an update on a weekly basis with regards to the progress on tasks implementation.

Key deliverables include the following reports:

- 5.1. Inception Report: as per para 3.2 of scope of work above, draft version to be submitted within 14 days of signing of contract.
- 5.2. Mid-assignment Progress Report: detailing: (i) progress made over the reporting period against the scope of work and expected deliverables contained in these terms of reference; (ii) challenges faced and how they were overcome and/or request for support needed from SDBEF, KeFS or county authorities in the coming period to overcome such challenges; (iii) any other recommendations relevant to completion of the assignment.
- 5.3. Literature review/Synthesis report on the fisheries laws and regulations and other relevant laws and publication in the management of community funds for natural resource management
- 5.4. A Draft BMU financial systems assessment report
- 5.5. Revised financial management section of the BMU Standard operating Procedures
- 5.6. A sensitization and awareness plan for the implementation of the recommended sustainable financing mechanism and finance management system for BMUs.
- 5.7. Sensitization and awareness materials for use by County and KeFS staff in rolling down the sensitization to BMUs
- 5.8. A final version of the BMU financial systems assessment report in English detailing all work undertaken and progress made with a format as 3.14 above:

#### Time frame

The Consultant is expected to deliver against the following timeframe:

**Table 1: Reporting requirements and timelines for deliverables**

S/NO.	DELIVERABLES/REPORTS	TIMELINE AFTER CONTRACT COMMENCEMENT	FORMAT OF SUBMISSION: MS WORD & PDF HARDCOPY
1.	Inception report	0.5 months	2 hard copies and a soft copy
2.	A synthesis report on Literature and legislation review	1 month	Soft copies
3.	Mid-assignment progress report	2.5 months	2 hard copies and soft copy
4.	Draft BMU financial systems assessment report	3.5 months	2 hard copies and soft copy
5.	Revised financial management section of BMU SoPs	4 months	2 hard copies and soft copy
6.	A sensitization/ awareness plan and sensitization materials	4 months	2 hard copies and soft copy

7.	Final version of the BMU financial systems assessment report	5months	2 hard copies and a Soft Copy
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## 6. PAYMENT SCHEDULES/REMUNERATION

The tasks will be conducted within **five (5) months** from the contract commencement date. The payment shall be done in instalments after submission and acceptance of the following deliverables;

**Table 2: Proposed payment schedule**

S/NO.	DELIVERABLES/REPORTS	TIME AFTER CONTRACT COMMENCEMENT	PERCENTAGE OF CONTRACT SUM
1.	Inception report outlining the work plan and methodology to deliver the training	0.5 months	10%
2.	A Synthesis report on Literature and legislation review	1.0 months	20%
3.	Mid-assignment progress report	2.5 months	20%
4.	Draft BMU financial system assessment report	3.5 months	
5.	Revised financial management section of BMU SoPs	4 months	20%
6.	A sensitization/awareness plan and sensitization materials	4 months	
7.	Final version of the BMU financial systems assessment report	5 months	30%

## 7. MINIMUM REQUIREMENTS FOR CONSULTANT'S QUALIFICATIONS AND EXPERIENCE

### 7.1. *Qualifications of the Consultant*

The task shall be carried out by a qualified individual consultant with a strong background in financial arrangements for community-level natural resources management, fisheries co-management and community engagement and capacity building in a fisheries context. Specifically, the consultant should have the following minimum qualifications and experience requirements;

- (i) A minimum of Master of Science degree, in natural resources management or economics, fisheries management, or any related field in natural resource management from a university recognized in Kenya or overseas;
- (ii) At least ten (10) years of relevant experience on financing community-level natural resources management, fisheries management or any related natural resource management including working with communities and BMUs with good understanding of co-management approaches.
- (iii) At least Seven (7) years specific experience with at least Three similar assignments in the national, regional and international level; in areas of financing community-level natural resources management, fisheries management or any related natural resource management including working with communities and BMUs with good understanding of co-management approaches; county and coastal community



governance systems in Kenya;

- (iv) Be a registered member of professional body recognized in Kenya with valid membership

## **8. MANAGEMENT AND ACCOUNTABILITY OF THE ASSIGNMENT**

The State Department Blue Economy and Fisheries is the Client for these services. The consultant will report to the National Project Coordinator, KEMFSED National Project Coordination Unit (NPCU) on behalf of the Principal Secretary, the State Department for Blue Economy & Fisheries. The National Project Coordinator working closely with the Component 1 Task Team Leader will oversee the day-to-day running of the project in all matters pertaining to the assignment.

## **9. OBLIGATIONS OF THE CLIENT**

The client (SDBE&F and NPCU) will;

- (i) provide all developed and available policies that can assist in this assignment,
- (ii) organize meetings with relevant stakeholders as may be required by the consultant.

## **10. OBLIGATIONS OF THE CONSULTANT**

- (i) The consultant will be answerable to the NPCU Coordinator, Component 1 Coordinator, and will work closely with County Directors of Fisheries and Project, SDBE&F, KeFS and County government staff in the execution and delivery of this consultancy.
- (ii) The consultant will be required to make his own travel and accommodation arrangements during consultations with different stakeholders to ensure the assignment is carried on smoothly and seamlessly within the timeframe provided.
- (iii) The consultant will consult and include inputs from the stakeholders and is responsible for organizing and achieving the evaluation and delivering the final report.

## **11. CONFIDENTIALITY, PROPRIETY RIGHTS OF CLIENT IN REPORTS AND RECORDS.**

- (i) All the reports, data, and information developed, collected, or obtained from implementing agencies, the Client, and other Institutions during this exercise shall belong to the Client. No use shall be made of them without prior written authorization from the Client.
- (ii) At the end of the Services, the Consultant shall relinquish all data, manuals, reports and information (including the database, codes, and related documentation) to the Client and shall make no use of them in any other assignment without prior written authority from the Client.

## ANNEX 1

### LIST OF TARGET BMUs UNDER PROPOSED ASSIGNMENT

County	CMA/JCMA	S/No	BMUs
Lamu	Kizingitini CMA	1	Kizingitini
	Ndau CMA	1	Ndau
	Faza-Siu-Mbwajumwali JCMA	1	Faza
		2	Siu
		3	Mbwajumwali
	Mtangawanda CMA	1	Mtangawanda
	Tchundwa CMA	1	Tchundwa
	Pate-Shanga JCMA	1	Pate
		2	Shanga
	Kiunga Community Wildlife Association (KICOWA) BMUs	1	Kiwayu
		2	Mkokoni
		3	Kiunga
		4	Mwambore
		5	Mvinden
		6	Rubu
		7	Chandani
		8	Ishakani
	Amu – Mokowe – Kiongwe JCMA	1	Amu
		2	Shella
		3	Matondoni
4		Kipungani	
5		Mokowe	
6		Mashundwani	
7		Kiongwe Mjini	
8		Mea	
9		Mkunumbi	
10		Ndambwe	
Tana River	Chara – Kipini – Ozi JCMA	1	Kipini
		2	Ozi
		3	Chara
Kilifi	Shella – Marereni JCMA	1	Shella
		2	Marereni
		3	Gongoni
		4	Ngomeni
		5	Kichwa cha Kati
	Takaungu – Bofa JCMA	1	Takaungu
		2	Mnarani
		3	Kilifi Central
		4	Bofa
	JCMA 2	1	Kuruwitu
2		Kanamai	

		3	Mtwapa
<b>Mombasa</b>		4	Marina
		5	Kidongo
<b>Kwale</b>	Chale-Gazi JCMA	1	Chale Jeza
		2	Gazi
	Mwandamu-Funzi JCMA	1	Mwandamu
		2	Mkunguni
		3	Mwaembe
		4	Munje
		5	Bodo
		6	Funzi
	Shimoni-Vanga JCMA	1	Mkwiro
		2	Shimoni
		3	Wasini
		4	Kibuyuni
		5	Majoreni
			6
		7	Jimbo
<b>Total</b>			<b>60</b>

**ANNEX 2: RECOMMEND NUMBERS OF BMUS TO SAMPLE IN EACH JCMA AREA**

County	CMA/JCMA	Total no. of BMUs	No. to sample
Lamu	Kiunga Community Wildlife Association BMUs	8	2
	Pate Island CMAs/JCMAs	10	3
	Amu-Mokewe-Kiongwe JCMA	10	3
Tana River	Tana Delta JCMA	3	2
Kilifi	Ungwana JCMA	5	2
	Takaungu-Bofa JCMA	4	2
Kilifi-Mombasa	Kidongo-Kuruwitu JCMA	5	2
Kwale	Chale Jeza-Gazi JCMA	2	2
	Mwandamu-Funzi JCMA	6	3
	Shimoni-Vanga JCMA	7	3
<b>Total</b>		<b>60</b>	<b>24</b>