

# WHEN YOU SEE A BARRIER JUST CROSS OVER IT



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When he took over as Chairman of the Ceylon Fishery Harbours Corporation (CFHC) in 2006, he was the youngest individual to hold such a post in a government organisation. Under his dynamic leadership, today the CFHC has transformed the fisheries sector of the nation and is geared to become a leading source of revenue in the current era of peace. In this interview with Business Today, Asanga Abeyagoonasekera speaks of the Corporation's journey as the

custodian of one of the country's most valuable resources.

**By Ayesha Inoon**

**Photography by Mahesh Bandara and Priyantha Pradeep**

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**The CFHC has come a long way since you took over three years ago and is now recognised as a Grade A Corporation. What were the initial challenges and how has this progress been achieved?**

When I was appointed Chairman at the age of 29, the CFHC was a traditional corporation with a bureaucratic mindset. The financial side was very weak. I had to transform the mindset of the people and turn it into a profitable organisation. It wasn't easy at the outset - when you're younger, you tend to try to disturb the existing working order which can make you unpopular - but I believed that to stay in comfort zones and gain popularity was not the right thing to do, and this is one of the reasons I've been able to turn this corporation around.

The first thing I did was to draw up a 5-year development plan, in collaboration with Ernst & Young. We identified which areas needed to be geared up as well as new revenue schemes. For example, generating income from sand as well as the new whale-watching programme. A new unit called Nil Diyawara, or the Dredging Unit of Sri Lanka was created.

We also brought in a new entity for Human Resource Development and addressed the grievances of 800 employees, including the fact that there were no promotions given to them since 1992. A training programme was begun in management as well as IT and the 5S methods were implemented in the organisation.

I introduced the IT sector to the fishery harbours and created an IP-VPN network connecting all the harbours around Sri Lanka for more efficient management. I believe we were the first government sector organisation to do this. It enabled us to monitor harbours from Trincomalee to Kalpitiya, from the Colombo Head Office, at the click of a button. We also got Enterprise Resource Planning or ERP to manage our resources more effectively. Whereas ERP is a common practice worldwide, it was a relatively new thing for our government sector. It's all about online procurement, finetuning our financial systems and also about creating an asset registry, which is updated automatically.

There has been a lot of progress due to this overall programme which was called

Thotupola Aruna or, 'Awakening of the Harbours', which has now been recognised by the world.

The CFHC is now a Grade A corporation; this was achieved by bringing in revenue of Rs 80 million in a single year and with our asset value of the newly developed harbours amounting to more than Rs 3 billion. The new revenue schemes, fine tuning of the human resources and the introduction of innovative programmes all contributed to this. Previously our balance sheet was going at a loss of approximately Rs 60 to 70 million. In addition, we got our first dredging job from the ADB, from which we received about Rs 100 million and we are getting another very soon.

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**What are the missions of the 'Awakening of the Harbours' programme?**

This was introduced in 2006, and identified many sectors. 'Awakening of the Harbours' is very much in par with his excellency the President's Mahinda Chinthanaya programme. Firstly, the harbours affected by the tsunami in 2004 - when I came in to CFHC, 10 out of the 12 fishery harbours were completely damaged and no reconstruction was taking place. I commenced the restoration of these harbours and completed it before the due date. Funds were given by the US, Japanese and Chinese governments. We not only rehabilitated the damaged infrastructure, but also improved it.

The second goal was to create landing sites for small-scale fishermen. So, we've identified several small landing sites around the island and are in the process of developing them.

The third sector is the whale-watching programme, which is an innovative thing for the Sri Lankan Tourism market. Although whale watching existed previously back in the 70s, it has never been looked at in a commercial sense, in terms of how it can benefit the country. Recognising that the government sector was not equipped to handle the marketing aspect of the programme, I tied up with Walkers Tours to launch whale-watching tours. It has a twofold purpose - to educate the children of Sri Lanka, and to bring in tourism revenue to the country. The fourth sector is the establishment of Nil Diyawara our own national dredging unit of Sri Lanka. The unit started with two dredgers and little equipment and now we have four dredgers. The purpose was to do our own maintenance

dredging of fishery harbours and do outside national work. Nil Diyawara was the first to go to the Eastern province after liberation to undertake dredging work. We have won outside work in a short period of time and it has been a new revenue generator.

The Awakening of the Harbours programme also focuses on bringing in IT and technology to the fisheries and harbours sector. Apart from the IP-VPN network and the ERP for internal management, I plan to introduce a Vessel Monitoring System to prevent illegal, unauthorised and unregulated fishing in our waters. We have taken a proposal to the cabinet regarding this, as it is important to protect our resources for the future generation.

There is another new programme in the pipeline right now for community development called Deewara Diri Sawiya. It aims at creating a fund for each and every harbour for micro financing and generating efficient families by initiatives that include developing their skills and giving scholarships to their children. With around half a million fishing families in the island, building infrastructure alone is not enough, and I've submitted for approval to the Treasury to raise a fund for community development.

**The significant increase in fish production that was reported for the year 2008 is indicative of the success of your programme. Can you elaborate?**

According to a Central Bank report, the country's fish production increased by 9.9 percent - from 253,000 to 275,000 metric tonnes - in 2008, compared to the previous year. According to the report, this is due to several reasons, including the opening up of the North and the East and improvement of landing sites and fishing harbours under the 'Awakening of the Harbours' programme.

I had this idea of making each harbour a one stop facility, so that fishermen have all the facilities they need in the fishing harbour - from boat lifting to boat repairing, to auctioning of fish and mending of nets, as well as water and electricity. We also plan to open banks at the harbours, since the banking practice needs to be instilled in the fishing community. We've had discussions with the Bank of Ceylon regarding this and are now in the process of setting up the banks. Sathosa, the corporative, has been brought in as well, so that they can buy their groceries without having to go into town.

All these initiatives were part of developing the harbours and have contributed to the rise in the fish catch. There have also been developments in the North East. In the Eastern province there was no fishing harbour with all facilities. The Valachenai fishery harbour was a wonderful harbour with all the facilities, but

was burnt down. The ADB gave a sum of 2.5 million dollars towards this and we are now in the process of reconstructing it.

In places such as Sayandamarudu, Nindavur and Vakarai, there's barely any infrastructure. However, there are over 2000 boats in the Eastern Region, and people with a lot of hope. Now we're actually developing these areas, which is a great thing. So, the fish catch will bring in a new avenue of income to the GDP, and we're just beginning to feel the pulse of it.

**I believe we need to create new, innovative markets that tourism will benefit from,** and whale watching has the potential to be a major industry in this country.

**There is a need to monitor the fishing resources of the country. How have you addressed this issue?**

We definitely need monitoring systems at the fishing harbours. For example, we need to monitor the number of dead fish in an average catch. I've introduced an electronic weighbridge so that each catch that lands will be weighed electronically. This goes to a computer database and gives us an accurate report of the tonnage of fish that has landed. We have done this with great success at the Mutwal fishery harbour in Colombo and hope to install it in other harbours as well.

And then we need to monitor the live fish - we need to know how much fish is available in our ocean. The last fish assessment was done in 1982, and we are still relying on this data. We need to know what sort of resources we have and what sort of fish is available - only then can we efficiently do the catching, farming and value addition. Right now we don't know if we're overcatching, the time of breeding or what kind of value addition we need to do. Once we bring in technology to obtain this information, we can take the fisheries sector to another level.

**Do you feel that the sector has overcome the damages caused by the tsunami in 2004?**

In terms of infrastructure, yes. We have completed the reconstruction of all the fishing harbours that were damaged during the tsunami. It reduced our catch dramatically, and we have now risen to about 275,000 metric tonnes, which is a great achievement.

But it's still not enough. I'm looking at about one million. I believe we can go up to that, because we have the resources. Take the Dikowita fishing harbour, for

example. This project has been there since 1997, but only now have we been able to get it off the ground. The development is going on in Wattala and with a 1 Km pier, it's going to be one of South Asia's key fishing harbours. With this harbour, we will be able to make Sri Lanka a tuna exporting hub - the tuna industry is a billion dollar industry around the globe and we have the potential to be at the centre of it, which I'm promoting.

I would say, not only have we overcome the damages caused by the tsunami, but it has given us the impetus to grow to greater levels than before.

**You've utilised the resources of the fisheries and harbours sector for the benefit of the tourism and leisure industry with activities such as whale and dolphin watching. You've also spoken of the potential for marinas in the country. What have the developments been on this front?**

The response to the whale watching programme has been amazing. In the words of Albert Camus, "All great deeds and great thoughts have a ridiculous beginning". When I came up with the idea of introducing whale watching as a commercial venture, many people thought it would not be possible. They believed in flying to another country, such as Maldives, to do it.

However, I believed in the project and moved ahead with it, and it has turned out to be a great success. We have conducted up to 85 excursions at present and many sightings have taken place. The Fisheries Ministry is in the process of setting up regulations for whale watching. The tours should be conducted in such a way that these mammals are not disturbed, so we need to have a limited number of people conducting them at a given time and follow professional methods and international standards. We are in consultation with NARA - the National Aquatic Resources Research and Development Agency as well as NIFNE, the National Institute of Fisheries and Nautical Engineering, who provide us with the boats for the tours. I have also absorbed ten youth from Namal Rajapaksa's programme Tharunyayata Hetak and I am in the process of training them in this field, as skippers of the boats.

I believe we need to create new innovative markets that tourism will benefit from and whale watching has the potential to be a major industry in this country.

Marinas are another opportunity to bring revenue to the tourism industry. Indonesia, India, Thailand and the Maldives all have marinas, but we don't have a single marina in Sri Lanka although 600 - 700 yachts are reported to pass by the island every year. These yachts need facilities to moor and berth and Sri Lanka needs to provide that. We called an international tender for this purpose and

Dubai marina - the largest marina operator in Dubai - came in. However, due to several reasons including the menace of terrorism that shadowed the country at that time, the project didn't get going.

Still, we are developing one side of the Dikowita harbour to cater to yachts. Marinas are a very important aspect that we need to look at to lure yachts to our country.

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**How does our fisheries sector compare to others in the region?**

Where contribution to the GDP is concerned, we're still in the one hundred million dollar mark, whereas other countries in the region such as Thailand and Indonesia have contributed about one billion. I think we're way behind in terms of production capacity, but in terms of quality, we're right at the top.

What we need is to create value addition. For example, Dilmah, instead of exporting bulk tea, first packeted and added flavours to it. Similarly, the fish we catch here should be processed and value added here, in smoked, dried or canned form. At present, we don't have local canning facilities. We import cans from Argentina and South America. It's a pity, because we've been eating fish from abroad, when we have good fish right here.

We need to ensure that we give a good, high protein product to the people instead of getting a cheap product from overseas and selling it at a low rate. We can still make it available at a low rate if we set up a cannery in Sri Lanka. His Excellency the President's Mahinda Chinthana concept has highlighted this need and he believes in this development.

So, we need to set up some national goals for Sri Lanka's fisheries sector in terms of increasing the capacity of the production, value addition and bringing in new technology. We need to minimise the illegal fishing that goes on in our waters, by implementing the vessel monitoring system and having a good coast guard. We can give quotas to international fishing boats that catch fish in our country. These are all mechanisms that the government can use to make immense revenue from the fisheries industry. By setting these goals, we can definitely reach a billion dollar market.

**With the ending of the humanitarian operations in the North and East, we are embarking on a new era of peace and prosperity. In this context, what**

## **do you perceive the future of the fisheries sector to be?**

This historic victory has been achieved because of the great work put in by our Secretary of Defence, who, like his brother the President, took adaptive measures that he believed in. He gave fishing rights to the people in the North and East, even while the Humanitarian Operation was taking place, which is a great thing. Even though there were occasional restrictions, his constant message was that development should never be halted.

The North and East make up two thirds of our coastal belt. Two thirds of the coastal belt coming into the GDP will just take it to another height. For many years, we didn't have access to these areas. However, now we're able to go there and develop them. MP and Senior Advisor to the President Basil Rajapaksa with his programmes Nagenahira Navodaya as well as Uthuru Wasanthaya is doing this. We have contributed to it by developing the fishing anchorages and the harbours and there has already been a positive response with the increased catch. We need to focus on developing these areas further. The FAO has given 12 million dollars to develop 18 landing sites and 3 anchorages and the ADB has given another 5 million for the development of the Trincomalee and Valachenai Harbours. The Canadian Government too has given another 5 million dollars and the Greek Government awarded a grant of 2 million dollars to complete the Dodanduwa harbour in Negombo.

As you see, the fisheries sector receives many grants and aid, which we can use to develop and grow. This is because they have recognised the Awakening of the Harbours programme, which functions in a very transparent manner and has a social development aspect to it.

We also work very closely with the Ministry of Fisheries and Aquatic Resources. Our Honourable Minister, Felix Perera, is a self made entrepreneur who understands business as well as being an experienced politician. He has been a source of great support and inspiration to me.

**My father, Ossie Abeyagoonasekera was a well-known politician of this country and he believed in socio-economic revolution...He believed in change, but was prevented from seeing it in his lifetime.**

**I joined this sector to help people and bring about that change.**

**To end on a personal note, how has your education and background prepared you for your current role?**



I come from a background of IT. I'm a scholastic member of the academia of Australia and I've been to schools like Harvard JFK School in the USA. I've interacted with and seen different perspectives of great minds - for instance Economists such as Ron Ferguson and Leadership Professors such as Martin Linskey. Having had my initial experience in the private sector, I joined the government sector on a political appointment.

My father, Ossie Abeyagoonasekera was a well-known politician of this country and he believed in socio economic revolution. He was killed by terrorists in 1994. He believed in change, but was prevented from seeing it in his lifetime. I joined this sector to help people and bring about that change.

I believe that our country needs a scholarly pool which will facilitate the exchange of innovative technology and ideas that politicians can adopt and move towards a developed nation.

His Excellency the President is an adaptive leader. He wanted to bring about change and that's why he said, believe in me, and I will put an end to terrorism. Now he has actually proven it, despite those who didn't believe him at the time.

We've been waiting for this moment for a very long time. Unlike India, with her population of one billion, we are a small nation. We have a population of about 20 million and a labour force of about 7 million. With a few years on the right development path, we can become a developed nation.

As John F Kennedy said, if you encounter a high wall, just toss your cap over the wall so that you will have no choice but to climb it. Look at the BPO industry in India, which started with revenue of one billion in 2001 and is currently 12 billion, because they believed in one thing. When you see a barrier, just cross over it - climb that wall. By disturbing the equilibrium of the normal pattern, by breaking out of our comfort zones - that's the way we can achieve a developed Sri Lanka.



