

Profitability analysis of public-private partnerships in village based sea cucumber aquaculture

Antoine Rougier*, Kirsten Oleson*, Mialy Andriamahefazafy*, Alasdair Harris*

* NGO Blue Ventures

Abstract

The aquaculture of *Holothuria scabra* is under development in the southwest of Madagascar. In order to enable local communities to benefit from this new opportunity, Blue Ventures is implementing a village-based aquaculture programme, based on a public-private partnership with an international donor and a local private company. If the theoretical model, based on donor support for the initial investment, decreasing subsidises for running costs for the farmers, and a supply of juveniles at cost-price from the local partner company with exclusive rights to the buy-back of the market size individuals at a fixed rate (lower than the price of wild-caught *H. scabra* but ensuring certainty of sales), shows a potential for profitability of the village based farms, the reality is so far quite different. Despite the fact that the farmers, incomes are increasing and they are now contributing to the farms, running costs, current results do not tally with the projections of the theoretical model. This presentation will try to explain the reasons for gaps between the project, reality and the theoretical model, assessing the weaknesses of the current model, and trying to understand if they are based on technical issues, the socio-economic context or a need for an alternative economic model. This work will finally explore alternative models for village-based sea cucumber aquaculture, to refine the approaches to this potentially lucrative alternative livelihood, and to offer opportunities for future development of this activity in Madagascar and the Western Indian Ocean region.