

FISHERIES

Leadership & Sustainability

FORUM

Summary of the Fall 2010 Fisheries Forum on Allocation in Fishery Management

**Monterey, California
September 2010**

The Fisheries Forum, which hosted its fifth successful Forum in Monterey, California September 19-22, 2010, welcomed a mix of new and returning participants, including appointed council members, state and federal representatives and their designees, and nonvoting members. Nineteen council members representing seven of the eight regional fishery management councils attended the Forum, and contributed their diverse perspectives and insight into current fishery management challenges.

This Forum convened council members, scientists, economists, community leaders and managers to discuss the challenge of allocating federal fishery resources. Allocation is a priority topic across regions, as councils take action to implement annual catch limits (ACLs) and accountability measures (AMs) in accordance with the 2006 reauthorization of the Magnuson-Stevens Act. Councils are viewing allocation as an important tool in ensuring greater accountability and maintaining opportunities for user groups. The foundation of many management decisions, allocation decisions require challenging and often difficult discussions, making this topic well suited to the neutral atmosphere of a forum.

The Fisheries Forum strives to create an interactive learning experience by prioritizing discussion time and employing the case method to engage participants in creative problem solving and information sharing. As a complement to the case study, the Fisheries Forum invites speakers from around the globe with expertise in fisheries law, policy science, and economics to give presentations, participate in panel and case study discussions. Group discussions allow participants and experts alike to ask questions and share insight. Unstructured free time also enables participants to network and share their experiences with other council members and invited speakers.

Resources from this Forum, including PowerPoint presentations and videos, are available on the Fisheries Forum website – www.fisheriesforum.org.

The Case Method

The forums use a case study approach, which allows participants from different regions to engage in discussion around a neutral set of shared information. The case study serves as the focal point for each forum, and allows participants to explore topics in greater depth as they draw on the experience of other council members, and the concepts and tools introduced by invited experts. The case study presented at this Forum is based on a fictitious fishery, which is being reopened – pending development of an allocation framework – after a ten-year moratorium and

rebuilding process. In Part 1 of the case study, groups were asked to develop a process for reaching consensus before outlining a set of goals for the fishery. In Part 2, groups identified potential allocation criteria and strategies to help meet each of these goals. They also highlighted data needs necessary to make more informed allocation decisions. Participants worked through the case study in small groups, then reconvened to share their results. During a final debrief and synthesis, participants shared their decisionmaking process and explained how they accommodated the different user groups and communities when developing their allocation framework.

Presentations: Day 1

The Forum commenced with opening remarks from Meg Caldwell, Executive Director of the Center for Ocean Solutions and Stanford Law Professor, and introductions from the Fisheries Forum staff including Meghan Jeans, Stanford Co-Director and Whitney Tome, Coordinator.

Katie Latanich, Policy Analyst with the Fisheries Forum, introduced the third in a series of regional reports, *Allocation Across the Regional Fishery Management Councils*. Structured as series of short profiles, the report provides an overview of allocation issues and themes across the eight regional councils. The final report is available on the Fisheries Forum website. Participants then shared allocation examples, including challenges as well as success stories, from their respective regions.

Professor Barton "Buzz" Thompson, Director of Stanford's Woods Institute for the Environment and Stanford Law faculty provided a comparative look at how different industries allocate common pool resources. Examining the allocation of grazing rights, oil and gas development rights, groundwater and greenhouse gas mitigation, Professor Thompson highlighted unique approaches as well as common allocation elements and themes. Examples of themes include the role of historic use, the use of auctions and other market mechanisms, opportunities for new entrants and provisions for flexibility.

The first of four panel sessions focused on identifying allocation goals, and included speakers with experience in three very different fisheries.

- Steve Minor, North Pacific Crab Association
- Eric Brazer, Cape Cod Commercial Hook Fishermen's Association
- Bill Orr, Alaska Seafood Cooperative

Steve Minor, president of the North Pacific Crab Association, spoke about the transformation of Alaska's crab industry from a derby fishery to a system of individual fishing quotas (IFQs) and individual processor quotas (IPQs). He described how the allocation process was used to achieve socio-economic goals including protection of remote, fishery-dependent communities. Minor explained how use requirements, such as regional landing requirements and right-of-first-refusal, were employed to meet socioeconomic goals without having to allocate catch to too many different categories of users.

Eric Brazer, a sector manager with the Cape Cod Commercial Hook Fishermen's Association, described the implementation of sector-based management in New England's groundfish fishery. The original goal behind sectors (cooperatives which manage combined allocations of New

England groundfish stocks) is to provide fishermen with greater flexibility and stability. Brazer described the process through which the New England Fishery Management Council evaluated alternatives for allocating catch to sector members.

Bill Orr, President of the Alaska Seafood Cooperative, provided an illustration of how the allocation process can be used to achieve conservation goals. He described how the North Pacific Fishery Management Council first introduced retention standards in the North Pacific groundfish fishery as a strategy to decrease discards. As part of the program, the council allowed groups of fishermen to operate as cooperatives to manage shared allocations. Orr explained how this cooperative model enabled fishermen to operate with greater flexibility, increase their profitability, innovate and cooperate to avoid bycatch.

Following the morning's presentation, the Fisheries Forum welcomed Congressman Sam Farr of California's 17th District as the keynote speaker. Congressman Farr spoke about the challenges of ocean governance and the importance of a sustained source of funding for research and marine resource management.

Monday evening's dinner at the Monterey Bay Aquarium featured a bonus presentation from renowned Stanford researcher Dr. Barbara Block, whose work focuses on the migrations of large pelagic species including bluefin tuna.

Presentations: Day 2

Day 2 included three panel sessions. The first panel focused on developing allocation frameworks and featured:

- Dr. Miguel Cisneros, National Fisheries Institute of Mexico (NFI/INAPESCA); and
- Julie Morris, former Gulf of Mexico Fishery Management Council member

Dr. Cisneros, Director in Chief of the National Fisheries Institute (NFI/INAPESCA) of Mexico, spoke about the evolution of Mexican fishery management from a reliance on centralized input controls to a regional, output-controlled system. Using the artisanal shrimp fishery as a case study, Dr. Cisneros explained how the Mexican government allocated territorial harvest privileges to small scale fishing cooperatives.

Julie Morris, a former three-term member of the Gulf of Mexico Fishery Management Council and chair of the council's ad hoc allocation committee, discussed inter-sector allocations of three highly valued reef species. Morris then introduced the Gulf of Mexico Fishery Management Council's Allocation Policy, which outlines principles, guidelines and methods to guide future allocation decisions.

The second panel focused on inter-sector allocations, and included:

- Gordon Gislason, GSGislason and Associates; and
- Dr. Jeremy Prince, a researcher and consultant in Australia.

Gordon Gislason, an economist and statistician, is the president of GSGislason and Associates, a consulting firm with expertise in economic analysis of fishery management decisions. Gislason

discussed four examples of recreational and commercial allocations in Canada, including fixed, flexible and exclusive-use allocations; and lessons learned by comparing each scenario.

Dr. Prince is a researcher and consultant, and participates as a scientific member of governmental fishery assessment and advisory groups in Australia. He described the transition of many of Australia's fisheries from input controls to output-controlled management, while noting that some lower-value fisheries do not justify the cost of ITQ management. Dr. Prince focused on the difference between initial allocations, a transitional phase in which legal decisions are made by independent allocation panels, and reallocations, achieved through market mechanisms.

The final panel of the day focused on tools and information that may be used to help inform fishery allocation decisions.

- Dr. Madeline Hall-Arber, Massachusetts Institute of Technology
- Gordon Gislason, GSGislason and Associates
- Dr. Jodie Toft, Natural Capital Project

Dr. Madeline Hall-Arber is a marine anthropologist with the Massachusetts Institute of Technology's Sea Grant Program. Drawing on her experience working with the New England groundfish fleet, Dr. Hall-Arber discussed different interpretations of and values associated with historical participation in the fishery. She then described techniques for gathering and analyzing qualitative socioeconomic data, and reviewed socioeconomic considerations that may factor into allocation decisions.

Gordon Gislason reviewed information sources and economic analysis tools, including environmental impact analysis, economic impact analysis, economic value analysis, and social impact analysis. He concluded by emphasizing the importance of data collection and monitoring as an investment in future allocation and policy decisions.

Dr. Jodie Toft, a researcher with the Natural Capital Project, introduced the Marine InVEST (Integrated Valuation of Ecosystem Services and Tradeoffs) tool for mapping and making decisions about the ecosystem services--including capture fisheries and aquaculture, coastal protection, energy development and other uses--provided by oceans and coasts. InVEST can be used to examine patterns and tradeoffs under different fishery management scenarios and allocation structures.

Discussion

The discussion segments following each panel discussion, and during the case study debrief, emphasized that allocation issues across different fisheries and regions share fundamental similarities. Whether allocating catch between sectors, gear types and/or other user group categories, most allocation decisions involve identifying the universe of participants, characterizing historical participation in a fishery, balancing the needs of different user groups, and working around the constraints of data availability and management uncertainty. Participants were also interested to take a forward-thinking approach by discussing the emerging role of economic analysis, reallocation, market mechanisms and the transferability of catch between user groups. Interjurisdictional management, particularly compatibility between state and federal regulations, was an unexpected but common theme.

The case study synthesis incorporated the themes above, but emphasized the decisionmaking process rather than the actual allocation decision. All four breakout groups identified similar sets of goals for the fictitious fishery in the case study but prioritized them slightly differently. The groups agreed that while some goals are inherently contradictory, reaching a consensus on the decisionmaking process and some of the broader goals helped each group make progress forward.

Leadership/Skills Training

The forums include a leadership-training component, in which council members advance their skills as effective managers. The topics chosen for these training sessions are based on feedback from past forum participants. At this Forum Jessica Notini, a professional mediator and facilitator, led several interactive exercises focused on tools and strategies for conflict management, communication and listening skills, and managing negative communication.

Field Trip

Following the conclusion of the Forum, participants, experts and staff enjoyed a whale watching trip in the Monterey Bay National Marine Sanctuary. All were grateful for sunny skies, calm seas and opportunity to spot albatross, sea lions, sea otters, and humpback whales.

The Fisheries Leadership and Sustainability Forum would like to thank all of our participants and invited speakers for their contributions to another engaging and informative Forum. Allocation is an ongoing challenge and will continue to be central to fishery management policies. We hope that the perspectives, tools and information shared at this forum will enhance council members' abilities to approach allocation decisions as well-informed decision makers and skilled leaders. We look forward to welcoming council members to our next East Coast Forum, which will be held the week of May 9, 2011 at the Duke University Marine Lab in Beaufort, North Carolina.