

Allocations: Coastal Communities The Bering Sea Crab Example



npca
NORTH PACIFIC CRAB
ASSOCIATION



St. Paul Island is home to the largest crab processing plant in Alaska, and the local economy is 85% crab-dependent.

The NPCA represents two Community Development Quota organizations and all of the major community based crab processors.

Also: PNCIAC Chairman

SEA ALLIANCE
Sponsored by Marine Conservation Alliance

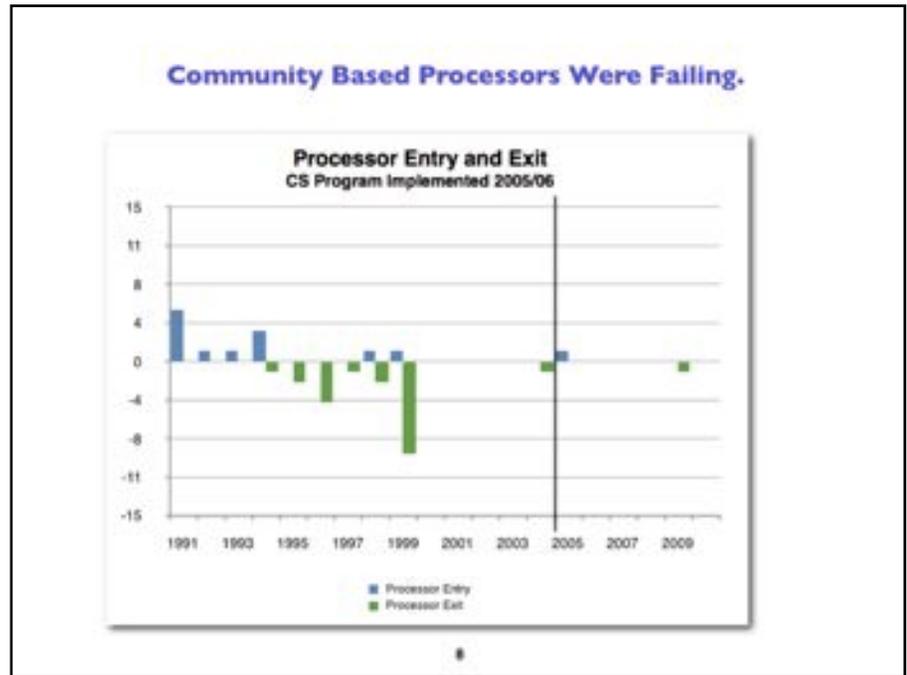
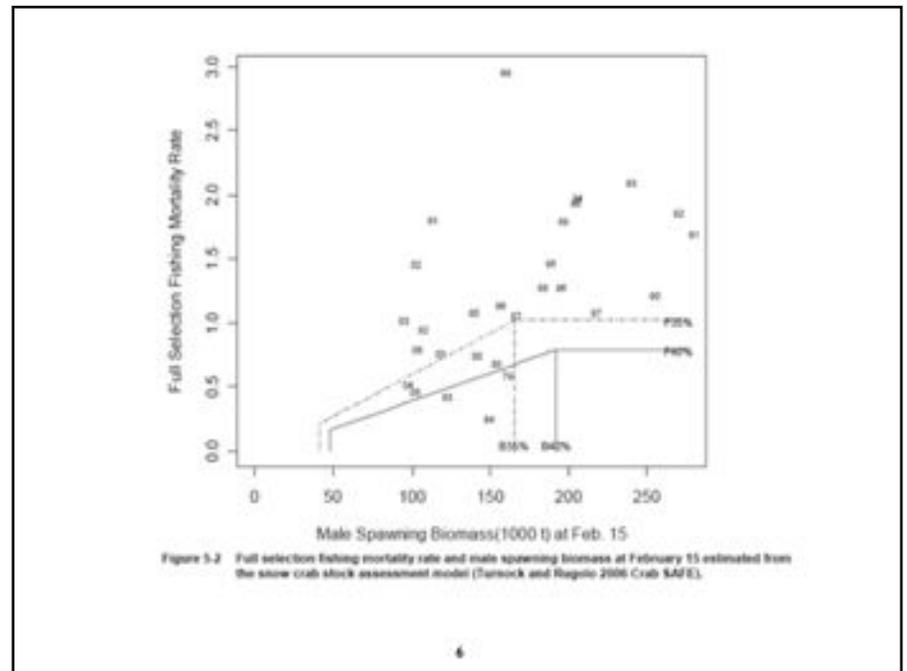
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Why The Program Was Developed The Universe of Stakeholders Has It Worked?

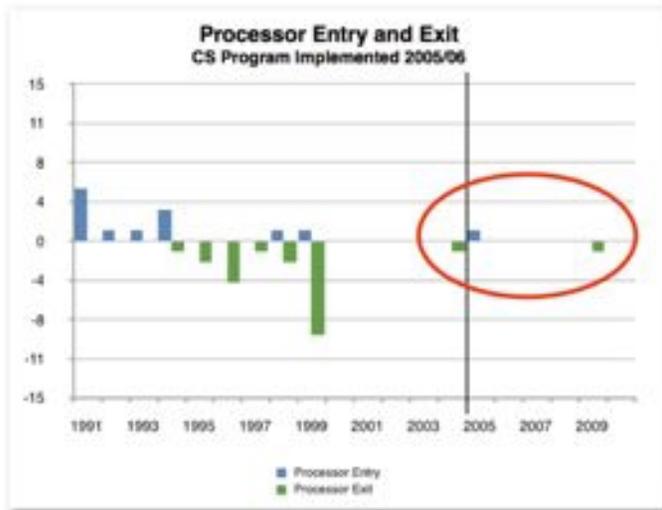


Gretar Gudmundsson
F/V Notorious

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Remember This.



St Paul Island, Alaska

500 Aleut Natives
No Cash Economy Until Mid-70s



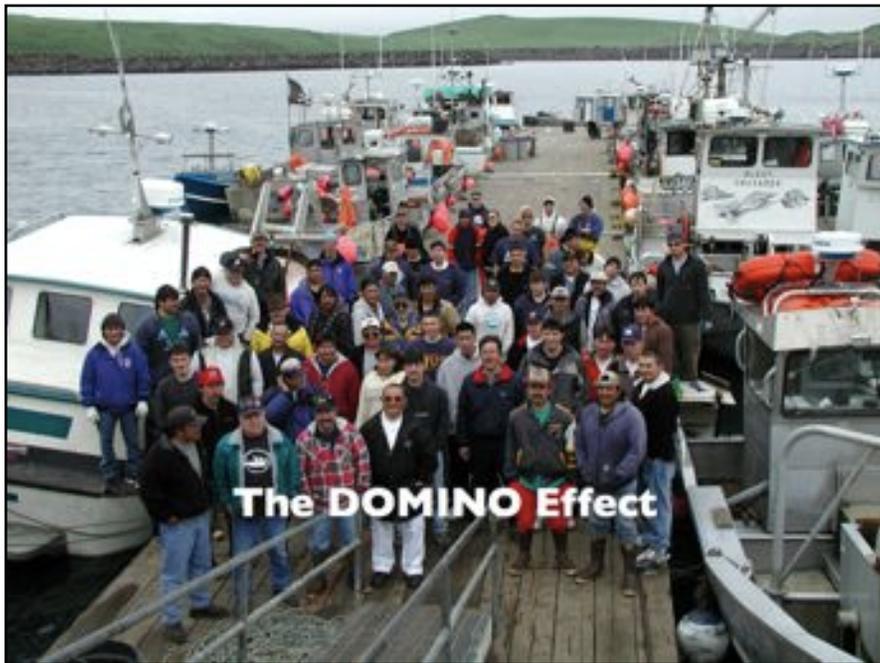
St Paul Island, Alaska



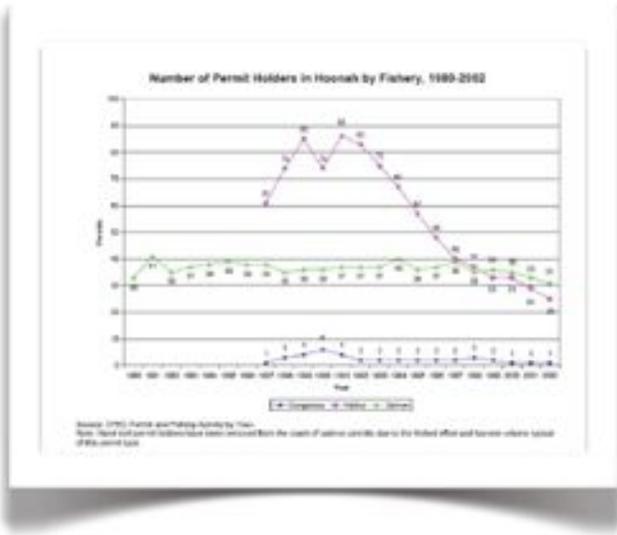
Highest Per Capita Debt in Alaska

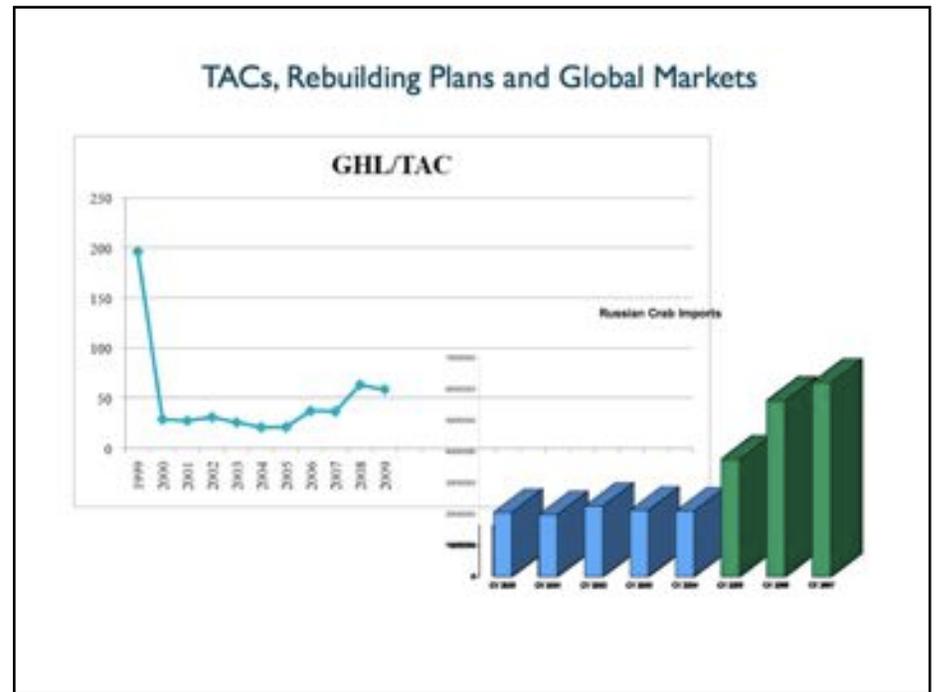
Taken On to Develop Infrastructure to Support Crab Industry





The Silent (Rural) Community Killer.





7 Species of Crab

QS/IFQ to Vessel Owners & Skippers

PQS/IPQ to Community Based Plants

Price Formation, Binding Arbitration System

CP Shares to CP Vessel Owners & Skippers

Working to Improve New Entrant Opportunities

10% Allocation to CDQ Groups

Regional Landing Requirements

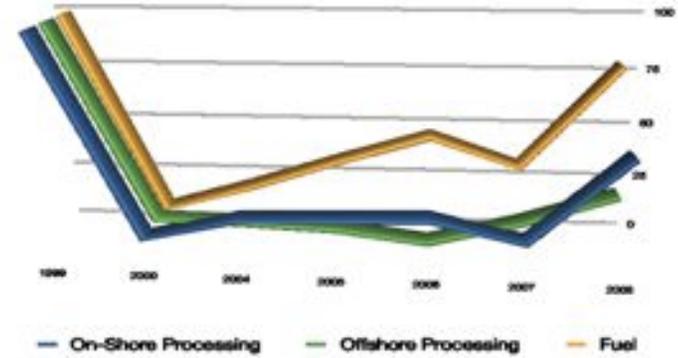
Two Year Cool Down Period

PQS Right of First Refusal

Community "ECCOs"



St. Paul Island Crab Landings Guaranteed, Halibut Fishery Saved, Slow Recovery, But Also an Opportunity.



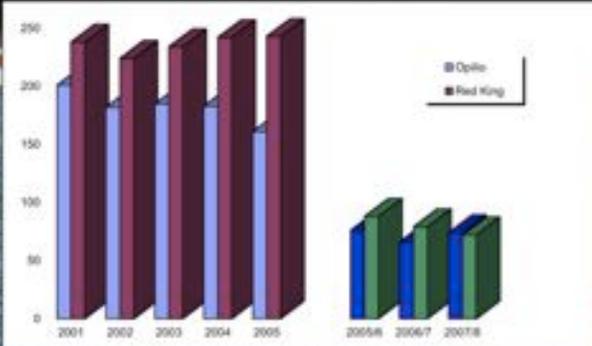
Kodiak Island Borough 16+ Population

Directly Involved in Seafood Industry	22%
All Other Residents	78%

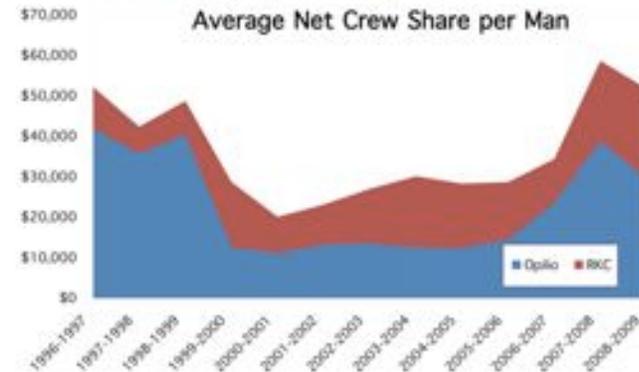
Bristol Bay Red King Crab	Opilio/Snow Crab
3.84%	0.14%

Fleet Consolidation.

Active Kodiak Fleet has Declined 57%



Was Fleet Consolidation A Bad Thing? An On-going Philosophical Debate.



- Remaining Kodiak fleet is now harvesting a larger share of the TAC than prior to the Program.
- Is it better to have many short duration (5 to 10 day) high risk jobs or fewer long term (4 to 6 month) family wage jobs?

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Kodiak Deliveries vs. Dutch Harbor Deliveries

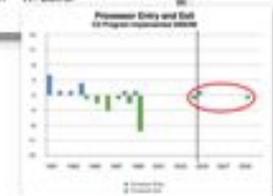
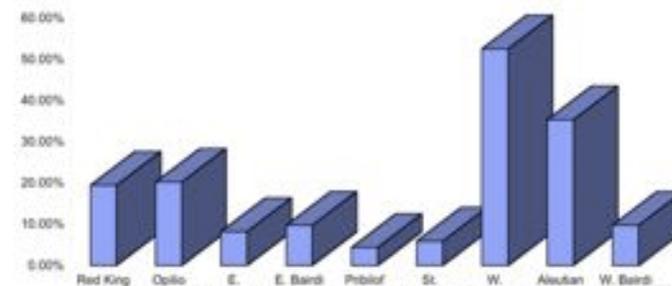
Average/assumed load 170,000 Pounds of BBRKC
Additional Transit Hours/Round Trip 144

Fuel, 33.33 Gals/Hr @ \$3.50/Gal	\$16,800
P&I Insurance, \$132/day for 6 men	\$ 792
Groceries, \$150/day for 6 men	\$ 900
Wear and Tear on Vessel	\$ +++
Lost Fishing Time	\$ +++
Dead Loss	\$ +++
Total Additional Costs	\$ 18,492

Ex Vessel Premium Required to Offset Costs
> 11 cents/pound

The Big Surprise.

Alaska Community (ECCO) Ownership of Processor Quota Shares
All Shares Acquired Since Implementation



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Lessons Learned.

Identify Stakeholders Early.

Consider Tagging QS with Use Requirements As An Alternative to Allocating to Every Possible Entity.

Do Not Design Data Collection Process at the Same Time.

Agree on Metrics.

It Takes Three to Five Years to Fully Change Behavior.

Expect to Amend.

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