

Science, Service, Stewardship



Catch Shares: the Alaskan Experience

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Catch Share Workshop

New Hampshire, October 2009

Jessica Gharrett, AK Region

**NOAA
FISHERIES
SERVICE**

Overview

- **Fishery overview**
- **Management background**
- **Program goals & results**
- **Performance**
- **Lessons learned**

Commercial IFQ TACs, Value

<u>SPECIES</u>	TAC	VALUE
	<u>(million lbs)</u>	<u>(million \$)</u>
Halibut	30-60	90-150
Sablefish	25-45 (H&L)	75-150
BSAI crab spp	1-50	120-200

'Race for Fish' mid 1980's

- **Short seasons, high effort**
- **Harvests inefficient, wasteful**
- **Gear conflicts, grounds preemption**
- **Low CPUE**
- **Safety issues**
- **Low quality, price**

AKR Limited Entry Mgmt.

- **Moratorium on entry**
- **License Limitation**
- **CDQ: Community allocations**
- **Cooperatives – history, quota based**
- **IFQ, IPQ (w/wout cooperatives)**

Arguments Against IFQ

- **'Privatizes' resource**
- **Contrary to fishing lifestyle**
- **Initial "windfall" unfair**
- **Economic power to QS holders**
- **Consolidation effects**
- **Compliance (hi-grading, under-reporting)**
- **FEAR**

Arguments for IFQ

- Conservation, mgmt benefits
- Longer seasons
- Reduce effort, costs, economics
- Increase value, steady pay
- Improve safety
- Consumer benefits

Management Goals

- **Sustainable, manageable fisheries**
- **Improve safety**
- **Improve economics**
- **Improve product quality, value**

Achieving Management Goals

- Sustainable, manageable fisheries:
 - hard TACs
- Improve safety:
 - allocations, long seasons, inspections
- Improve economics:
 - dedicated allocations
 - long seasons, carryover adjustments (IFQ)
 - arbitration (crab)
- Improve product quality, value:
 - long seasons

Social Goals: 'Rationalize' but:

- **Entry opportunities**
- **Maintain industry profile**
- **Limit consolidation**
- **U.S., owner-operator fleet**
- **Allow historic practices**
- **Restore/preserve/build community revenues, jobs**

Addressing Social Goals - 1

- Entry Opportunity: QS blocks (IFQ); loans
- Maintain industry profile:
 - Use caps
 - Vessel caps
 - Vessel categories (IFQ)
 - PQS (crab)
- Limit consolidation: Use & vessel caps

Addressing Social Goals - 2

- **US owner/operator:**
 - **Citizenship**
 - **Limited hired master, leasing**
 - **NOAA-approved transfers**
 - **New entrants onboard (IFQ)**
 - **No new entities, & on “change” must divest to individuals (IFQ)**

Addressing Social Goals - 3

- Allow historic practices:
 - Initial awards “grandfathered” over caps
 - Hired Masters for entities, initial indiv.
- Restore/Preserve/Build community revenue, jobs:
 - GOA Community purchase (IFQ)
 - CDQ
 - ROFR, Geographic landing reqs (crab)




Addressing Goals - 4

- Conservation:
 - Hard TACs
 - Avoid/reduce discards
 - multispecies (IFQ)
 - carryover adjustments (IFQ)
 - Robust reporting
 - Appropriate enforcement (overage adj.)

Monitoring/compliance Aids

- **Permits on board**
- **Hail in (IFQ)**
- **Dockside enforcement w e-messaging**
- **'Registered' processors, signed receipts**
- **E-reporting, OLE edits**
- **Administrative adjustments (IFQ)**

Performance - Fishing



- TAC not exceeded under IFQs
- CPUE  / discards, mortality 
- Lost gear 
- No verified high-grading
- Non-reporting not major; (but 'you only know what you know')

Performance – Consolidation


- IFQ QS holders:

- Halibut:  42%
- Sablefish:  19%

- Vessels:

-  34%
-  70%






- Crab QS/PQS holders

- Initial Issuees 
- All holders no change


- Vessels:

-  9%

Performance Statistics - IFQ

- Deaths  33 to 1
- Transfers  ~ 1,500 → 225
- Entrants  1,100 ~29% of QS
- Hired Master use 
- Ex-ves values  1.5 – 4x
- Fresh halibut 8 - 9 months/year

Performance - Crab

- Deaths  1 in 2008/09
- Consolidation in vessels, not entrants
- > 95% TACs in managed cooperatives
- Longer crab seasons
- Community benefits exercised (ROFR)
- Deadloss decreased

Performance Issues

- **Job displacement**
- **Coastal community effects**
- **Sustained Hired Master use (IFQ)**
- **High quota, management costs**
- **Increased incentive:
underreporting, hi-grading**

Lessons Learned: Design

- Design is infinitely flexible
- Participation-based allocations require data
- PQS multiplies complexity, decreases flexibility, requires arbitration
- Design in community/social values, ethics
- Takes new management, enforcement models
- Design in data collection (program evaluation)

Lessons Learned: Mgmt

- **Need TACs or hard caps**
- **Prevent spill-over effects (sideboards/
multispecies programs)**
- **Avoid race for bycatch**
- **Plan to remove inactive permits**
- **Plan for real-time accounting, transfers**
- **Design for analytical data collection**

Lessons Learned: Implementation

- Application/allocations
 - outreach about the program
 - show Official Record summaries
 - plan for challenges: evidence period
 - Due Process-Initial Admin Determ. (IADs)
- Confidentiality will be an issue
- Applicant has burden of proof
- Regs
 - define terms if critical (e.g., 'lease')
 - realistic evidence stds (not met all reqs.)

Lessons Learned: Admin - 1

- **Fund adequately (no start-up fees)**
- **Staff adequately, be available**
 - **Constituent services (app. Trans., fees)**
 - **Enforcement, observers, port samplers**
 - **IT staff and customer support**
 - **Appeals**
- **Plan for system 'down time'**
- **Adjustment rules + transfer flexibility: too complex**

Lessons Learned: Admin - 2

- **Share information**
 - **provide account access**
 - **inseason, annual reports**
 - **regular program reviews, reports**
 - **foster commerce**
- **Provide self-help tools & training**
 - **e-account access**
 - **e-transfers**

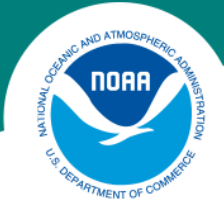
Lessons Learned: Enforcement

- **Increased incentive to misreport: be visible**
- **Provide a 'level playing field'**
- **Constituents manage fishing, Agency manages behavior/performance**
- **Shift to dockside with forensic accounting**
 - **real-time landings messaging**
 - **follow the fish in plant, (trans)shipping**
- **Plan IT tools, support**

Lessons Learned: Social

- Stakeholder buy-in critical
- Expect controversy, Fear (“quota-infested waters”), ‘winners’ and ‘losers’
- Consolidation is an expected goal
- Real-time accounting, transfers are crucial
- Participants take responsibility, stewardship if mgmt, Enf, mgmt is:
 - responsive, fair, transparent.

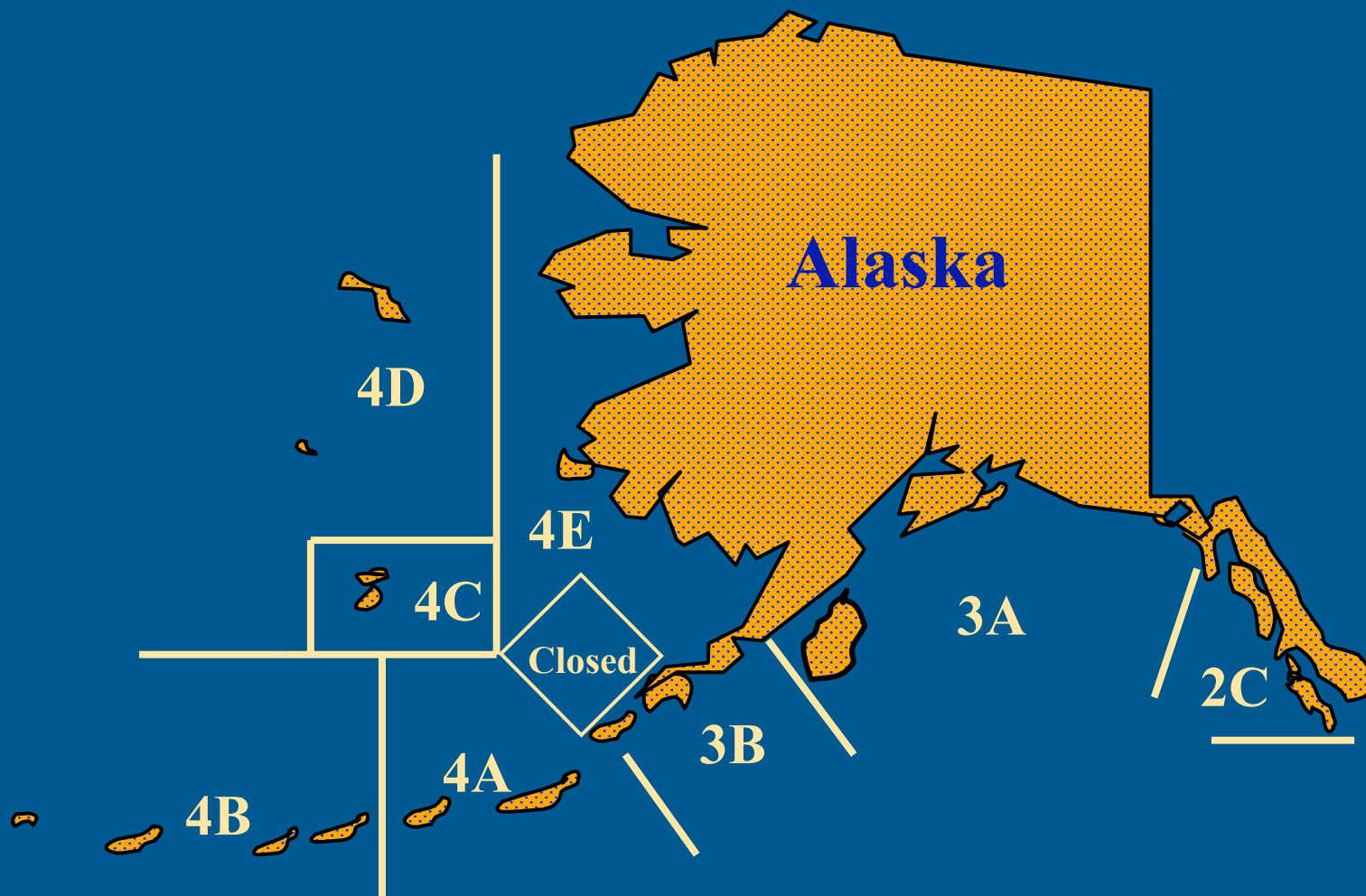
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FISHERIES
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**NOAA Fisheries Service
PO Box 21668
Juneau, Alaska 99802**

alaskafisheries.noaa.gov
800-304-4846

Halibut Areas



Sablefish Areas

