



# Marine Conservation Alliance

*promoting sustainable fisheries to feed the world*

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Alyeska Seafoods  
Alaska Crab Coalition  
Alaska Whitefish Trawlers Association  
Alaska Groundfish Data Bank  
Alaska Pacific Seafoods  
Alaska Scallop Association  
Aleutian Pribilof Island Community Development Association  
Akutun, Atka, False Pass, Nelson Lagoon, Nikolski, St. George  
At-Sea Processors Association  
Bristol Bay Economic Development Corp.  
Aleknagik, Clark's Point, Dillingham, Egegik, Ekwok, King Salmon, Levelock, Manokotak, Naknek, Pilot Point, Port Heiden, Portage Creek, South Naknek, Toqiak, Twin Hills, Ugashik  
Central Bering Sea Fishermen's Association  
St. Paul  
City of Unalaska  
Coastal Villages Region Fund  
Chefornak, Chevak, Eek, Goodnews Bay, Hooper Bay, Kipnuk, Kongiganak, Kwigillingok, Mekoryuk, Napakiak, Napaskiak, Newtok, Nighthute, Oscarville, Platinum, Quinhagak, Scammon Bay, Toksook Bay, Tunutuliak, Tunurak  
Groundfish Forum  
High Seas Catchers Cooperative  
Icicle Seafoods  
Mothership Group  
PV Excellence  
PV Ocean Phoenix  
PV Golden Alaska  
Norton Sound Economic Development Corporation  
Brevig Mission, Diomedes, Elm, Gambell, Golovin, Koyuk, Nome, Saint Michael, Savoonga, Shaktoolik, Stebbins, Teller, Unalakleet, Wales, White Mountain  
Pacific Seafood Processors Association  
Alaska General Seafoods  
Alyeska Seafoods, Inc.  
Golden Alaska Seafoods, Inc.  
North Pacific Seafoods, Inc.  
Peter Pan Seafoods, Inc.  
Premier Pacific Seafoods, Inc.  
Supreme Alaska Seafoods, Inc.  
Trident Seafoods Corp.  
UniSea Inc.  
Westward Seafoods, Inc.  
Prowler Fisheries  
Trident Seafoods Corp.  
United Catcher Boats  
Akutun Catcher Vessel Assoc.  
Arctic Enterprise Assoc.  
Mothership Fleet Cooperative  
Northern Victor Fleet  
Peter Pan Fleet Cooperative  
Unalaska Co-op  
UniSea Fleet Cooperative  
Westward Fleet Cooperative  
U.S. Seafoods  
Waterfront Associates  
Western Alaska Fisheries, Inc.  
Yukon Delta Fisheries Development Association  
Alakanuk, Emmonak, Grayling, Kotik, Mountain Village, Nunam Iqua

Mr. Eric Schwaab  
Assistant Administrator for Fisheries  
National Atmospheric and Atmospheric Administration  
Attn: Catch Shares  
1315 East-West Hwy  
Silver Spring, MD 20910-3282

Dear Mr. Schwaab,

The Marine Conservation Alliance (MCA) is pleased to submit the following comments in general support of the DRAFT NOAA Catch Share Policy (Draft Policy). MCA is a broad based coalition of harvesters, processors, coastal communities, Community Development Quota organizations, and support service businesses involved in the groundfish and shellfish fisheries of Alaska. MCA was formed to promote the sustainable use of North Pacific marine resources by present and future generations. MCA supports research and public education regarding the fishery resources of the North Pacific and seeks practical solutions to resource conservation issues.

MCA members collectively represent approximately 70% of the production of North Pacific fisheries which in turn accounts for over half the nation's fishery production. MCA members include participants in all of the Catch Share programs in Alaska, which account for the vast majority of fish landings from Catch Share fisheries nationwide.

## I. General Comments and Principles Regarding Catch Share Programs.

The MCA is supportive of quota-based and/or cooperative rights-based management systems, and we support the availability of this important management tool to all Regional Fishery Management Councils. Such management systems, referred to as Catch Shares in the Draft Policy, can provide an important tool to fishery managers seeking to reduce bycatch and discards, increase utilization of harvested resources, reduce or eliminate excess harvesting and processing capacity, minimize fishing impacts on habitat, and increase safety at sea. Catch Share programs can also improve efficiency, provide stable, family wage jobs for men and women working in the harvesting and processing sectors, and provide economic security in times of uncertainty.

The nation's principal fisheries law, the Magnuson-Stevens Act (MSA) provides a comprehensive set of policy considerations for the Regional Fishery Management Councils to adhere to when establishing Catch Share programs. MCA agrees with the Draft Policy that any such system should be developed through the Council

process, consistent with the National Standards and other provisions of the Magnuson Stevens Act.

The experience of MCA members spans the range of Catch Share programs in Alaska. We have participated in the development and implementation of a variety of programs, each uniquely tailored to meet specific fishery management goals. For example, Alaska's first Catch Share program, the Community Development Quota (CDQ) program was designed to provide economic opportunity to remote villages along the Bering Sea coast by allocating quota among community development organizations representing those villages. These CDQ groups then entered into partnerships with industry to develop joint venture fisheries businesses in the harvesting and processing of Bering Sea species as well as training and local hire programs to provide opportunities to village residents.

Following the CDQ program other Catch Share systems were developed to meet different goals. The halibut/sablefish IFQ program was designed to maintain the small boat owner/operator characteristic of the longline fleet while eliminating the race for fish in those fisheries. This program is a model for small boat harvester based programs. The American Fisheries Act (AFA) pollock cooperatives were established to address a variety of economic and conservation goals, and has been widely cited as a model for successful management of large industrial scale fisheries by eliminating the race for fish, improving efficiency, and reducing bycatch and discards in one of the world's largest fisheries. The same can be said for the Amendment 80 cooperatives formed for the smaller Bering Sea and Aleutian Island flatfish and Atka Mackerel fisheries. The Bering Sea Crab Rationalization program is also meeting its goals of improving safety, reducing discards and promoting crab conservation, and protecting community access to the Bering Sea crab resource. It is also one of the few programs in the nation to provide for direct allocation of quota to crew.

While each of these programs was designed with specific goals in mind, each program has also gone through an evolutionary process, with adjustments being made at the fishery management council level to address new or unanticipated management concerns. Our experience with these programs, and the variety of differing conservation, management, economic, and social conditions each program was developed around underscores some of the basic points in the Draft Policy. It also leads MCA to the conclusion that the design and implementation of Catch Share programs should meet some basic principles:

- Principle 1. One size does not fit all. Catch Share programs need to be designed to fit the unique characteristics of the fishery to which the program will be applied. The wide variety of Catch Share programs in Alaska underscores this point.
- Principle 2. Catch Share programs must be developed through an open and transparent process accessible to all of the various interests that might be affected by the program. MCA strongly believes that the Regional Fishery Management Council process provides such transparency, and is the best place for such programs to be developed.
- Principle 3. Any Catch Share program needs to take into account, and to the extent feasible, address in a fair and equitable manner the interests of the harvesters, processors,

and communities directly involved in the fishery. Catch Share programs should consider mechanisms to provide access for entry-level fishermen or other entry level opportunities as may be appropriate for the specific fishery involved recognizing that such opportunities may not be appropriate in all instances. Clearly, each program will be unique and needs to tailor these considerations to meet the specific conditions of the fishery involved. In Alaska, each Catch Share program has specific provisions to address these considerations. Every catch share program in Alaska also includes entry level provisions of one form or another

- Principle 4. Catch Share programs should have clear conservation, economic, and social goals and objectives, and include mechanisms to review and adjust the program to improve performance as the program matures. Flexibility will be needed to address unforeseen consequences of initial design or changes in a fishery that may occur over time. However, Catch Share programs also need to provide long term stability to ensure stewardship. Care must be taken with regards to transferability of shares or rights, and measures avoided that might create incentives for participants to pursue short term gain over longer term investment in conservation and economic sustainability. MCA is pleased to note that the Draft Policy recognizes the importance of this balance.
- Principle 5. Catch Share programs need to be managed on scientifically based annual catch limits, including mechanisms to control and reduce bycatch as well as specific measures to prevent overfishing. In Alaska, extensive management measures are in place to address overfishing, bycatch, habitat protection, and ensure risk averse management while maintaining economically robust fisheries. Catch Share programs are an important tool in the management process for augmenting these programs to meet conservation and management goals. MCA is very supportive of the Draft Policy’s recognition of the role of science based management (ACLs, etc) in any Catch Share program.
- Principle 6. Catch Share programs should have robust monitoring programs including observers, electronic monitoring, Vessel Monitoring Systems, or other independently verifiable mechanisms to monitor target catch and bycatch.

## **II. Specific Comments on the Draft Policy.**

With the above general considerations in mind, MCA would also like to offer a few comments on specific issues in the Draft Policy.

### Program Features

The Draft Policy correctly identifies important program features that should be addressed by Catch Share programs. MCA is supportive of the policy, and offers the following observations and comments:

- **Transferability.** The Draft Policy states that Councils should thoroughly assess the benefits of allowing transferability and refers to transferability as an “option”. MCA would suggest that transferability is a fundamental component of any Catch Share

program, and that the design options revolve around choices of when, and to whom such transfers would take place as well as consideration of measures to address consolidation, new entry, and community interests for example.

- **Specific Management Goals and Review.** MCA supports the concept of clearly articulating management goals during program design, with periodic reviews of the program to determine how it is performing. But, in keeping with our principle 4 above, MCA also cautions that flexibility needs to also be incorporated as well including a recognition that programs will almost certainly need to evolve and adapt to changing conditions over time. MCA also agrees with the Draft Policy's call for review and comparison between Catch Share and non-catch share fisheries.
- **Distinction Among Sectors.** The discussion in the Draft Policy causes us some concern. MCA agrees that Catch Share programs may not be appropriate for all fisheries. This includes consideration that Catch Share programs may or may not be appropriate for some sectors within a fishery, including the recreational sector. However, as the Draft Policy acknowledges, Catch Share programs are dependent on setting specific harvest levels (TAC/ACLs) for participants and adhering to those limitations. Serious distributional imbalances can result if one sector of a fishery is limited through a Catch Share program and another sector that harvest off that same stock is not limited. Such imbalances can lead to significant conservation failures, and undermine the social and economic goals of the Catch Share program. The ongoing conflict between commercial and charter halibut fisheries in Alaska are a case in point. MCA believes that the Draft Policy does not address this problem sufficiently, and encourages the final policy to include more detailed discussion and guidance on how to ensure that conservation goals are met, fair and stable allocations between sectors are maintained, and the integrity of a Catch Share program is not undermined when it applies to only part of the overall harvest.

The Draft Policy also calls for the creation of enforcement and monitoring protocols. MCA wants to reinforce that for Catch Share programs to succeed; monitoring and enforcement are fundamental program components that must be addressed early in program development. Such programs need to be efficient, and cost effective. Catch accounting and monitoring need to be independently verifiable to ensure confidence that quotas are not being exceeded. MCA strongly encourages NOAA and USCG to put significant resources into design and implementation in these program features.

### Program Support

MCA generally supports the initiatives described in the Draft Policy for program support, and to reduce administrative and technical impediments to the design and implementation of Catch Share programs. We are pleased to note that the policy acknowledges that Catch Shares may not be appropriate for all fisheries. The Draft Policy lists criteria for evaluating whether or not a fishery is a good candidate for a Catch Share program. MCA recognizes that this is not an exhaustive listing, and is generally supportive of these criteria, with the following comments:

- Safety. Under the indicators for evaluating whether a fishery is likely to be a good candidate for Catch Shares, we note that NOAA did not include one of the most important benefits that should be considered: safety for the men and women that work in the fisheries. MCA strongly encourages NOAA to specifically recognize the need to improve safety at sea as an important criterion for evaluating fisheries and Catch Share programs. For example, the Bering Sea crab program dramatically improved the safety record of the “Deadliest Catch” from an average loss of one vessel and five crewmen per year prior to the program, to only one death during the five years the program has been in place.
- Stocks are overfished. MCA concurs that this is an important consideration but also is compelled to note that not one of the Catch Share programs in Alaska was put in place to address overfished stocks. Instead, the North Pacific Fishery Management Council (NPFMC) has an exemplary record conserving its fishery resources by following the recommendations of its scientific advisors, and in most instances the Catch Share program involved stocks that were generally healthy and not overfished. The one exception is the Bering Sea crab program where some small stocks of crab were already under strict rebuilding programs prior to the Catch Share program being put in place.
- Bycatch is significant. As with overfished stocks, the NPFMC has a long history of implementing management measures to reduce and control bycatch and discards that predates Catch Share programs. For example, extensive measures to reduce and control bycatch of prohibited species such as salmon, halibut or crab in trawl fisheries have been in place for many years, and the NPFMC adopted specific measures to reduce or virtually eliminate discards of target species in the pollock, cod, and flatfish fisheries prior to the Catch Share programs for those fisheries. We bring this to your attention because, while it is important to note that Catch Share programs provide managers and the fleet with a powerful tool to address such management concerns, it is also true that additional measures may also need to be part of the suite of tools used to comprehensively address the range of conservation and management goals for a fishery.

Under program support the Draft Policy also calls for providing expertise and related support through expedited contracting, creation of a “Catch Shares Center of Excellence” and use of workshops, a speakers bureau, and other support services to assist the Councils and the public in the design and implement Catch Share programs. The Draft Policy, with one exception, seems to focus on NOAA employees, academics, and agency personnel from other federal and international fisheries agencies familiar with Catch Shares. MCA is concerned that this emphasis does not take advantage of the expertise of those most familiar with the design and implementation of existing programs, the participants in the fisheries themselves. We recognize that the speakers’ bureau concept is intended to address this to some extent, but seems to be more of an outreach program rather than part of a pool of experts with hands on experience that would be available to assist with program design. We strongly encourage NOAA to find creative ways that this kind of hands on experience can be employed in the process of developing programs more directly.

### Royalties vs Fees.

MCA recognizes that Catch Share programs often bring with them additional administrative and management costs. MCA acknowledges and supports NOAA's policy to collect only those fees that arise because of incremental costs. Most of the Catch Share programs in Alaska have a fee system associated with them, and the industry has demonstrated a willingness to work in partnership with NOAA to address increased costs for programs directly related to management of the fishery, such as observers, VMS, or electronic monitoring.

With regard to royalties, MCA urges caution. Collection of royalties could significantly impair industry's ability to reduce overcapitalization or gain access to private capital necessary for fleet improvements, thus frustrating many of the goals of the program such as increased safety at sea. And finally, in many fisheries around the nation, the industry is already in financial straits, and the imposition of royalties may simply exacerbate an already desperate situation.

### **III. Conclusion.**

Several Catch Share programs have been instituted in the fisheries off Alaska. Because of our experience, MCA believes that continued movement toward the equitable rationalization of fisheries through Catch Share programs represents one of the best available strategies to accomplish the goals and objectives set out in the Magnuson Stevens Act. Eliminating the "race for fish" through Catch Share programs provides opportunities to improve safety, reduce bycatch, protect and enhance the economies of coastal communities, and results in delivery of higher quality products. In many instances, Catch Share programs have led to increasing the amount of food produced per pound of fish, reducing the overall carbon footprint of the fishery. Management systems that have been implemented in the North Pacific have also allowed for the reduction of fishery impacts on important species and habitats by distributing fishing effort more evenly in time and space. This temporal and spatial management has benefits ranging from positive impacts on endangered species to the introduction of seafood product forms that are more responsive to markets demands.

Thank you for consideration of our comments on NOAAs Draft Catch Shares Policy.

Sincerely,



Executive Director

***"Promoting sustainable fisheries to feed the world"***