

*Science, Service, Stewardship*



*Draft*

# NOAA Catch Share Policy

December 2009

**NOAA  
FISHERIES  
SERVICE**

NOAA



## What is a Catch Share?

- Catch share is a generic term used to describe fishery management programs that allocate a specific portion of the total allowable fishery catch to individuals, cooperatives, communities, or other entities.
- Includes specific programs defined in Magnuson-Stevens Act such as Limited Access Privilege (LAP) programs and Individual Fishing Quotas (IFQs), and other exclusive allocative measures such as Territorial Use Rights Fisheries (TURFs) that grant an exclusive privilege to fish in a geographically designated fishing ground.
- The recipient of a catch share is directly accountable to stop fishing when their specific share allocation is reached.



## Why Catch Shares?

### Current Fisheries Management Challenges...

- Difficulty controlling catch to an overall limit – overfishing
- A race to catch as much fish as fast as possible leading to overcapitalization – too many boats, too few fish, lower profits, poor product quality
- No incentive to reduce bycatch
- Seasonal gluts of fish in markets
- Fishermen go out in unsafe conditions
- US fisheries are not currently producing their full economic value and employment
- Requests for economic assistance are increasing



## Benefits of Catch Shares

### **Both U.S. & global Catch Shares experience shows they...**

- Help achieve conservation objectives, such as ending overfishing
- Reduce overcapacity in the harvesting sector
- Improve the overall economic performance of the fishery
- Improve product quality (e.g., fresh vs. frozen)
- Improve safety at sea
- Increase participants' responsibility for monitoring and management
- Move away from command-and-control management toward approaches where participants play a greater management role



## Examples of U.S. Catch Shares

### **Halibut and Sablefish Fishery (1995)**

- Season length extended from less than a week each year to 8 months, now year-round fresh vs. frozen product
- Bycatch dropped 80%, profits increased
- Safety improved sharply after catch shares with no fatalities in the years following implementation

### **Gulf of Mexico Red Snapper Fishery (2007)**

- Commercial overfishing has ended for the first time in decades, no quota overages
- Higher dockside prices (up 18%) and reduced costs as fishermen are able to better plan their trips, care for catch
- In the first year, discards in the fishery decreased 70%



# Catch Shares in Context

Ecosystem-based science & mgt., emphasizing transparency & public participation

National ocean policy

Healthy resilient ecosystems

Sustainable fisheries - an essential component

***Catch Shares*** a powerful tool to manage fisheries to sustainable levels & improve their economic performance



# Catch Share Programs

## 14 Current Programs

Surf Clam/Ocean Quahog

Wreckfish

Halibut & Sablefish

Western Alaska CDQ

Bering Sea AFA Pollock Cooperatives

Pacific Sablefish Permit Stacking

Georges Bank Cod Hook Gear Sector

Georges Bank Cod Fixed Gear Sector

Bering Sea King & Tanner Crab

Gulf of Mexico Red Snapper IFQ

Central Gulf of Alaska Rockfish Pilot

Bering Sea Groundfish (Non-Pollock) Cooperatives

Mid-Atlantic Golden Tilefish IFQ

Gulf of Mexico Grouper & Tilefish IFQ

## 3 Programs in Development

Scallop General Category IFQ

Northeast Multispecies Sectors

West Coast Trawl Groundfish TIQ



# Current Catch Share Programs



## North Pacific:

- Halibut & Sablefish (1995)
  - Western Alaska CDQ (1992)
  - Bering Sea AFA Pollock Cooperative (1999)
  - Groundfish (non-Pollock) Cooperatives (2008)
  - Bering Sea King & Tanner Crab (2005)
  - Central Gulf of Alaska Rockfish Pilot (2007)
- 5 potential programs**

## Highly Migratory Species:

**1 potential program**

## New England:

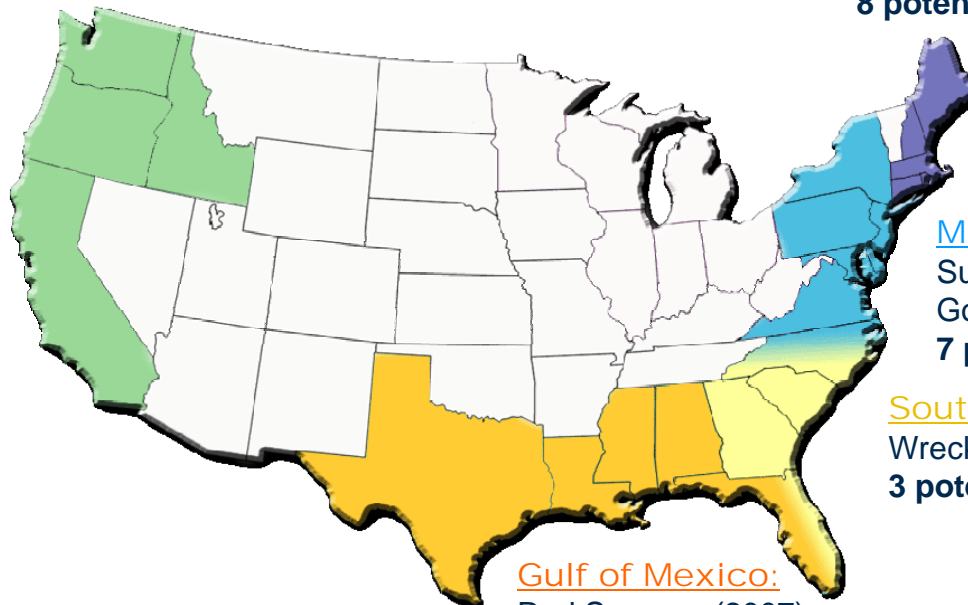
- Georges Bank Cod – Hook Gear (2004)
  - Georges Bank Cod – Fixed Gear (2007)
- 8 potential programs**

## Pacific:

- Pacific Sablefish Permit Stacking (2001)
- 3 potential programs**



Western Pacific  
**6 potential programs**



## Gulf of Mexico:

- Red Snapper (2007)
  - Red Grouper (2010)
- 2 potential programs**

## Mid-Atlantic:

- Surf Clam & Ocean Quahog (1990)
  - Golden Tilefish (2009)
- 7 potential programs**

## South Atlantic:

- Wreckfish (1991)
- 3 potential programs**

## Caribbean:

**1 potential program**





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**NOAA** NATIONAL OCEANIC AND  
ATMOSPHERIC ADMINISTRATION  
UNITED STATES DEPARTMENT OF COMMERCE  
**CATCH SHARES TASK FORCE**

- June 22, 2009 – NOAA Under Secretary Lubchenco announced the formation of the Catch Shares Task Force
- 18 Participants:
  - 10 NOAA participants
  - 8 Regional Council participants (recreational & commercial sectors)
- Held four Task Force Conference calls plus electronic work via intranet



## Process for Draft Policy

- NOAA presentations to all Regional Councils
- Input on a draft catch share policy sought
- Stakeholder briefings by NOAA
  - Commercial Groups - July 20, 2009
  - Recreational Groups – July 22, 2009
  - Environmental Groups – July 23, 2009
- NOAA catch shares website  
([www.nmfs.noaa.gov/catchshares](http://www.nmfs.noaa.gov/catchshares))
- NOAA drafted policy for release December 10, 2009
- Draft policy open for public comment until April 2010



## Experiences Considered, Lessons Learned...

- Community sustainability & participation
- Performance metrics, monitoring
- Transferability
- Council support and resource limitations
- Criteria for assessing catch share suitability
- Fair & equitable treatment for recreational and commercial sectors
- Cost recovery and resource rent
- Stakeholder knowledge/engagement
- Impacts on small entities, skippers, crew



## Catch Share Concerns...

### **“Unfairly treats recreational sector?”**

No sector mandated to adopt catch shares; shares simply distribute Council allocation decisions within a sector; include allocation review in FMP; set asides, transferability can modify initial allocations

### **“Government giveaway of public resources?”**

All limited access programs recover costs (up to 3% ex vessel value);  
M-S Act gives Council authority to decide policy on collecting resource rent

### **“Loss of small boat fleets and communities?”**

Use available design features to ensure sustained participation of small boat, owner-operator fleets and preservation of fishing communities through eligibility, participation, allocation and transferability choices



## Draft Catch Share Policy

**To achieve long-term ecological and economic sustainability of the Nation’s fishery resources and fishing communities, NOAA encourages the consideration and adoption of catch shares wherever appropriate in fishery management and ecosystem plans and amendments, and will support the design, implementation, and monitoring of catch share programs.**



## Objectives of the Policy

1. Reduce any administrative or organizational impediments to the consideration of catch shares;
  2. Inform and educate stakeholders of the different options and capabilities of catch share programs; and
  3. Help organize collaborative efforts with interested Councils, states, communities, fishermen and other stakeholders on the design and implementation of catch shares to meet their specific needs.
- High-level policy guidance; not a rulemaking
  - Catch shares NOT mandated / no specific numerical targets for Councils
  - Encourage broad consideration of catch shares; provide NOAA support



## Desired Program Features

**Specific Management Goals** - *All fishery management programs, including catch shares, should identify specific goals for management*

- Councils should develop explicit management goals such that a uniquely tailored catch share program can be designed (e.g., eliminate overfishing, race-to-fish or derby fishing behavior; bycatch reduction; improve socio-economic conditions for fishery participants and/or communities, etc.).



## Desired Program Features

**Transferability:** *NOAA recommends Councils thoroughly assess the net benefits of allowing transferability of catch shares.*

- The choice of whether, when and to whom to allow transfers (by sale or lease) of catch shares is one of the most significant Council design options to be evaluated.
- NOAA is committed to providing technical advice and support to the Councils and affected stakeholders in evaluating the transferability option.





## Desired Program Features

**Review Process:** *NOAA recommends that Councils periodically review all catch share and non-catch share programs, including ensuring the specific goals chosen are measurable and tracked to gauge whether a program is in fact meeting its goals and objectives.*

- Performance metrics may include fishery stock status, impacts on fishing communities, dynamics of participation and entry into the fishery, prices, financial performance.



## Desired Program Features

**Distinctions Among Sectors:** *No fishery or sector (e.g., commercial or recreational) is obligated to adopt catch shares under the policy.*

- Under MSA, Councils should consider the appropriateness of catch share programs and decide which, if any, sectors may benefit from their use. The MSA does not require catch shares to be adopted in any other particular sector of that fishery.
- Councils and NOAA should evaluate the effects of catch shares on all sectors associated with a fishery.



## Desired Program Features

**Fishing Community Sustainability:** *NOAA encourages Councils to take advantage of the special community provisions in the MSA to help assure sustainability of fishing communities, including the preservation of working fishery waterfronts and fishery infrastructure.*

- MSA section 303A provides unique community sustainability design options for LAPs.
- NOAA will work collaboratively to establish programs to help communities design and invest in catch share fishery management options.



## Desired Program Features

**Resource rent:** *NOAA will assist Councils if and when they determine that it is in the public interest to collect royalties in connection with the initial or any subsequent allocations of exclusive harvest privileges.*

- MSA section 303A(d) requires Councils to consider collection of royalty payments; receipts are deposited in a special fund to be expended only in the fisheries from which they came.



## NOAA Program Support

- NOAA will provide leadership, technical advice and support for the consideration & use of catch share programs.
- NOAA will collaborate with its many federal, state and constituency partners to support catch share programs in the following four categories:



# NOAA Program Support

## ***1. NOAA will reduce technical and administrative impediments to designing catch share programs.***

For example:

- Assist Councils in evaluating catch share applicability
- Resolve outstanding statutory questions on LAPs
- Promote a common catch share infrastructure
- Identify enforcement “best practices”
- Create a model catch share program design process



## NOAA Program Support

### ***2. NOAA will provide expertise and support to design/adopt catch share programs***

For example:

- Prioritize funds for catch share programs
- Help Councils design cost recovery programs
- Identify staff/external experts to aid Councils & regions
- Develop business decision tools for use by industry
- Establish programs for fishermen's/community groups
- Promote programs for purchase of quota shares



## NOAA Program Support

***3. NOAA will inform and educate stakeholders so that they can best participate in the design and implementation of catch share programs.***

For example:

- Implement a long term education & outreach strategy
- Create a virtual information center web portal staffed by NOAA experts
- Conduct regional workshops and webinars
- Initiate a speakers bureau to share experiences





## NOAA Program Support

### ***4. NOAA will coordinate data collection, research and performance monitoring of catch share programs.***

For example:

- Establish a nationwide electronic reporting goal
- Promote observer coverage standardization
- Collect catch share market data
- Conduct catch share research program
- Establish relevant performance measures



## Public Comment Period

The draft NOAA Catch Share policy will be open for public comment until April 10, 2010.

Regional meetings/town halls will be scheduled

Public comments can be submitted electronically via the NMFS catch shares comment website:

**[www.nmfs.noaa.gov/catchsharescomments](http://www.nmfs.noaa.gov/catchsharescomments)**

or emailed to [catchshares@noaa.gov](mailto:catchshares@noaa.gov)